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TRANSCRIPT OF RECORD.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1885.

No. ~~268.~~ 31

ABBIE B. CLARK, EXECUTRIX, AND RUFUS D. CHASE, EXECUTOR OF ANDREW J. CLARK, DECEASED; JOHN W. WHEELER, WILLIAM T. ELLIOT, ABIJAH FRENCH, AND ALLEN SCHENCK, APPELLANTS,

vs.

GEORGE H. WOOSTER.

Appeal from THE CIRCUIT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK.

FILED AUGUST 29, 1883.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1885.

No. 268.

ABBIE B. CLARK, EXECUTRIX, AND RUFUS D. CHASE, EXECUTOR OF ANDREW J. CLARK, DECEASED; JOHN W. WHEELER, WILLIAM T. ELLIOT, ABIJAH FRENCH, AND ALLEN SCHENCK, APPELLANTS,

vs.

GEORGE H. WOOSTER.

IN ERROR TO THE CIRCUIT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK.

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1 The President of the United States of America to Andrew J. Clark, John W. Wheeler, William T. Elliott, Abijah French, and Allen Schenck, Greeting:

You are hereby commanded that you and each of you personally appear before the judges of the circuit court of the United States of America for the southern district of New York, in the second circuit court in equity, on the first Monday of November, A. D. 1879, wherever the said court shall then be, to answer a bill of complaint exhibited against you in the said court by George H. Wooster, and do further and receive what the said court shall have considered in that behalf. And this you are not to omit under the penalty on you and each of you of two hundred and fifty dollars.

Witness the Honorable Morrison R. Waite, Chief Justice of the Supreme Court of the United States, at the city of New York, on the 20th day of September, in the year one thousand eight hundred and seventy-nine, and of the Independence of the United States of America the hundred and fourth.

JOHN I. DAVENPORT, *Clerk.*

ANDREW COMSTOCK,
Compl't's Sol'r.

The defendants are required to enter appearance in the above cause in the clerk's office of this court on or before the first Monday of November, 1879, or the bill will be taken *pro confesso* against them.

J. I. D., *Clerk.*

2 SOUTHERN DISTRICT OF NEW YORK, } ss:
City and County of New York, }

Andrew Comstock, of mature age, being duly sworn, says that on the 20th day of September, 1879, at No. 30 Union Square, in said city, he served the within subpœna on Allen Schenck by handing to and leaving with him personally a copy thereof, at the same time showing him the within original. He further says he knew the person so served, and knew him to be one of the defendants in this cause.

ANDREW COMSTOCK.

Sworn before me this 25 day of Sept., 1879.

CHARLES SPIRO,
Notary Public N. Y. Co.

I hereby depute Andrew Comstock to serve the within writ.

N. Y., Sept. 20th, 1879.

LOUIS F. PAYN,
U. S. Marshal.

I certify that the within subpœna was served as appears by the affidavit of Andrew Comstock endorsed hereon.

N. Y., December 26, 1879.

LOUIS F. PAYN,
U. S. Marshal.

3 Circuit Court of the United States, Southern District of New York. In Equity.

GEORGE H. WOOSTER *vs.* ANDREW J. CLARK *et al.*

To the honorable the justices of the circuit court of the United States for the second circuit within and for the southern district of New York, in equity:

George H. Wooster, of the city of New York, county of New York, State of New York, a citizen of the United States, brings this his bill against Andrew J. Clark, John W. Wheeler, William T. Elliott, Abijah French, and Allen Schenck, composing the firm of Johnson, Clark & Co., of the city of New York, county of New York, State of New York.

And thereupon your orator complains and says that heretofore and before the 5th of October, 1865, one Alexander Douglas, being then a citizen of the United States, was the true, original, and first inventor or discoverer of a certain new and useful invention, to

4 wit, an improved folding guide for sewing machines, &c., and that the said invention was not known or used by others before his invention or discovery thereof, and was not at the time of the application for letters patent therefor in public use or on sale with the consent or allowance of the said Douglas, as the inventor or discoverer thereof, contrary to the provisions of the statutes of the United States in such case made and provided.

That the said Douglass made application in writing to the Commissioner of Patents of the United States for the granting of letters patent for said invention, and paid into the Treasury of the United States the fees required by law, and then and there also duly complied in all other respects with all the necessary conditions and requirements of the statutes of the United States in such case made and provided prior to the granting of the letters patent hereinafter mentioned.

That on the 5th day of October, 1858, letters patent of the United States, bearing date on that day, were issued to the said Douglas according to law, whereby there was granted to him and his heirs, executors, administrators, or assigns, for the term of fourteen years from the 5th day of October, 1858, the full and exclusive right and liberty of making, constructing, using, and vending to others to be used, the invention or discovery aforesaid, a description whereof was given in the words of the said Douglas in the said schedule annexed to the said letters patent, and was made part of the same.

That the said letters patent were issued in the name of the United States of America, and were sealed with the seal of the Patent Office of the United States, and were signed by the Secretary of the Interior, and were countersigned by the Commissioner of Patents, and were numbered 21659, and were issued and delivered to the said Douglas.

That thereupon, after the issuing of the said letters patent as aforesaid, the said Douglas put the said invention into use,

5 the same was largely used in his business, and he granted licenses to many persons to use the said invention under said

letters patent upon payment of certain sums provided to be paid by them, and he also brought numerous suits at law in the circuit courts of the United States founded on said letters patent, in all of which the defendants submitted and took licenses under said letters patent, paying therefor, or verdicts were rendered against them sustaining the novelty of said invention and the validity of said letters patent.

And your orator further shows that upon the application of said Douglas, and due proceedings had, and upon a compliance with all of the provisions and requirements of law in such case made and provided, the said letters patent were duly extended for seven years from the 5th day of October, 1872, and said extended patent was thereupon duly assigned by instrument in writing, subscribed by said Douglas to your orator.

And your orator further shows to your honors that heretofore, on or about the 10th day of December, 1872, your orator, finding that the said patent which had been granted was inoperative by reason of a defective or insufficient specification, thereupon, so finding, and the said error having arisen by inadvertency, accident, and mistake, and without any fraudulent or deceptive intention on the part of said Douglas or your orator, the said Douglas and your orator surrendered said patent to the Commissioner of Patents, according to the statutes of the United States in such case made and provided, and having amended the specification of claim in accordance with the decision of the said Commissioner in the premises, and having paid the fees prescribed by, and in all other things complied with, the statutes of the United States in such case made and provided, new letters patent of the United States for the same invention were on the said 10th day of December, 1872, issued and delivered to your orator according to law,

6 whereby there was granted to him for the then unexpired term of twenty-one years from the 5th day of October, 1858, the full and exclusive right and liberty of making, constructing, using, and vending to others to be used, the said invention or discovery of an improved folding guide, a description whereof was given in the words of said Douglas in the schedule annexed to the said reissued letters patent.

That the said new letters patents were issued in the name of the United States, and were signed by the Secretary of the Interior, and were countersigned by the Commissioner of Patents, and were sealed with the seal of the Patent Office of the United States, and were numbered 5180, and were issued and delivered to your orator.

And your orator prays that said letters patent and the schedule annexed thereto as aforesaid may be deemed and taken as part of his bill, and to the originals of which, or a duly authenticated copy thereof, now in your orator's possession and ready to be produced, he craves leave to refer.

And your orator further shows that he has put the said invention largely into use, and has granted upon payment of established license fees, to those persons whose business has not competed seriously with his own, or that in which he has been interested, and he has also brought large numbers of suits in equity and actions at

law in the circuit courts of the United States, and in all of said suits and actions said letters have been sustained, and in many of them the defendants submitted and took licenses under said letters patent upon payment of license fees, and some of said defendants were enjoined from further use of said invention.

And your orator has ever since the date of the said assignment to him been and now is entitled to all the rights, interests, and privileges thereby secured unto him in and to the said invention or discovery in the said letters patent particularly set forth, and is
7 and ever since the date thereof has been entitled to the exclusive use of the said invention and improvement.

And your orator further shows unto your honors that the said invention or discovery so patented aforesaid unto him is of very great utility, and that the same has been extensively introduced into public use, and that the public have generally acquiesced in your orator's exclusive right to the same; and your orator would, but for the wrongful acts of the said defendants and others acting in concert with them, have made large gains, profits, and advantages from the manufacture, use, and sale of the said invention; and your orator would, but for the wrongful acts and doings of the said defendants and others acting in concert with them, now be enabled to use the said invention, to which he is entitled to the exclusive right as aforesaid, with profit and advantage, but that by the said wrongful acts and doing he is now prevented and hindered from so doing.

And your orator further shows unto your honors, upon information and belief, that the said defendants, well knowing the premises and the rights and privileges secured unto your orator, and in order to deprive him of the profits, benefits, and advantages which might and otherwise would have accrued to him at New York and within the said southern district of New York, and without the license or permission of your orator, they, the said defendants, have, since the date of said reissue and prior to the commencement of this suit, unlawfully and wrongfully made or caused to be made, sold or caused to be sold, used or caused to be used, one or more folding guides, each and all containing the said invention, discovery, improvements, and combinations, the exclusive right to which is secured to your orator, as hereinbefore set forth, and which said unlawful making, use, and sale, by the defendants as aforesaid, is a violation and infringement of your orator's exclusive rights and privi-
8 leges, and that the said defendants have derived and received, and are still deriving and receiving, from such use great gain and profits, but to what amount your orator is ignorant and cannot set forth, but your orator prays that the defendants may be required to make a disclosure of all such gains and profits.

And your orator in like manner avers that the defendants, though requested to desist from such unlawful use, and to pay to your orator such gains and profits as the defendants have actually made, refused so to do, by means whereof your orator is and has been greatly injured, and is now hindered from putting the said invention or discovery into successful operation, and from hindering others so to do, and is deprived and prevented from receiving the

gains and profits to which he is lawfully entitled, from the exclusive rights and privileges so granted and secured to him as aforesaid, and which he would have derived and acquired and would now derive and acquire but for the said wrongful acts of the said defendants.

And your orator prays that the said defendants may be compelled by a decree of this honorable court to account for and pay over unto your orator all such gains and profits as have accrued or arisen to, or been earned or received by, the said defendants, and all such gains and profits as your orator would have received but for the said wrongful acts and doings of the said defendants and all damages your orator has sustained thereby, and that this honorable court will assess the same, or cause them to be assessed under its direction, and will increase the same in its discretion, as provided by the law.

And that the said defendants, their attorneys, solicitors, clerks, servants, agents, and workmen, may be perpetually enjoined and restrained by the decree of this court from directly or indirectly making or causing to be made, using or causing to be used, or vending to others to be used, in any manner, any folding guides
9 containing or embodying the said invention granted by the said letters patent, as issued aforesaid, and from infringing upon or violating the said letters patent by the use or sale of the said invention in any way whatsoever; and that the said defendants may be decreed to pay the costs of this suit; and that your orator may have such other relief as the equity of the case may require and as to your honors may seem meet.

To the end, therefore, that the said defendants may, if they can, show why your orator should not have the relief hereby prayed, and may full, true, direct, and perfect answer make, according to the best of their or their clerks, agents, or workmen's knowledge, remembrance, information, and belief, to the several matters hereinbefore averred and set forth, as fully and particularly as if the same was here repeated paragraph by paragraph, and they thereto severally and specifically interrogated.

May it please your honors to grant to your orator a writ of subpœna *ad respondendum*, issuing out of and under the seal of this honorable court, directed to the said defendants, commanding them to be and appear, and make answer unto this bill of complaint, and to perform and abide by such order and decree herein as to this court may seem required by the principles of equity and good conscience.

May it also please your honors to grant to your orator a provisional or preliminary injunction issuing out of and under the seal of this honorable court, enjoining and restraining the defendants, their attorneys, solicitors, clerks, servants, workmen, and agents to the same purport, tenor, and effect hereinbefore prayed for, in regard to said perpetual injunction.

And your orator will ever pray.

GEO. H. WOOSTER.

ANDREW COMSTOCK,
Complainant's Solicitor, and of Counsel.

10 UNITED STATES OF AMERICA, }
Southern District of New York, } ss:

On this 19th day of September, 1879, before me, came George H. Wooster, to me personally known, who, being by me duly sworn, did depose and say that he is the complainant in the foregoing bill of complaint named, and that he has read the said bill, subscribed by him, and knows the contents thereof, and that the same is true of his own knowledge, except as to matters which are therein stated to be on information and belief, and as to those matters he believes it to be true.

[L. S.] CHAS. SPIRO,
Notary Public, New York County.

"Endorsed:" U. S. circuit court, Southern District of New York. In equity. George H. Wooster *vs.* Andrew J. Clark and others. Bill of complaint. Andrew Comstock, 335 Broadway, N. Y. city, complain't's solicitor. U. S. circuit court. Filed Sept. 20, 1879. John I. Davenport, clerk.

11 *The Answer of Johnson, Clark & Company, Defendants, to the Bill of Complaint of George H. Wooster, the Complainant herein.*

U. S. Circuit Court, Southern District of New York. In Equity.

GEORGE H. WOOSTER *against* ANDREW J. CLARK *et al.*

These defendants now, and at all times hereafter, saving and reserving to themselves all and all manner of benefits and advantages of exception to the many errors and insufficiencies in the complainant's said bill of complaint contained, for answer thereunto, or unto so much or such parts thereof as these defendants are advised is material for them to make answer unto, answering, say:

That they are informed and believe that letters patent of the United States, numbered 21659 and dated October 5th, 1858, were issued to Alexander Douglas for an alleged improvement in folding guide for sewing machines; but these defendants do not know, and are not informed, save by said bill of complaint, whether said Alexander Douglas made his application in due form of law, or whether said letters patent were legally and properly granted, and they therefore leave the complainant to make such proof as he may be advised.

These defendants, further answering, say that they are ignorant, save as stated in said bill of complaint, whether said Alex-
12 ander Douglas put his said alleged invention into use or granted licenses to use the same, so that they can neither admit nor deny the same and leave complainant to make proof thereof; and these defendants, upon information and belief, deny that in any circuit court of the United States any decree or verdict has been rendered sustaining the novelty of said invention or the validity of said letters patent.

These defendants, further answering, say that they are informed

and believe, and therefore admit, that said letters patent were extended to the said Alexander Douglas by the Commissioner of Patents for the term of seven years from October 5th, 1872; but defendants have no knowledge that said extended patent was assigned to the complain-t in this suit, and therefore require proof thereof.

And these defendants, further answering on information and belief, say that the extension of said letters patent was illegal and void, for the reason that said Douglas at the time of said extension had no interest in said patent, or any extension thereof, having previously disposed of all his right, title, and interest for the original term of said letters patent, and also of any extension thereof, whereby said extension became and was invalid, illegal, and of no effect.

And these defendants, further answering, say that they are informed and believe that said letters patent so extended as aforesaid were surrendered to the Commissioner of Patents, and new and reissued letters patent granted therefor to the complainant, George H. Wooster, bearing date December 10th, 1872, and No. 5180; but these defendants deny that said original patent was surrendered, or the reissue obtained for good and lawful cause, or because the said original patent was inoperative and invalid by reason of a defective or insufficient description or specification, or that such error, defect, or insufficiency arose from any inadvertency, accident, or mistake,
or without any fraudulent intention on the part of said Alex-
13 ander Douglas; but, on the contrary, these defendants aver
and allege, upon information and belief, that such surrender was illegally made and for the purpose of claiming more and other matters and things than were described and claimed by said Douglas in his original patent, and that said reissued letters patent are not for the same invention for which said original letters patent were issued, and are therefore void and of no effect.

And these defendants deny that the complainant has ever been or now is entitled to any right, interest, or privilege under said reissued letters patent, or to the exclusive use of the alleged invention claimed in said reissued letters patent, and further deny that the invention patented by said reissued letters patent is of very great utility or that the same has been extensively introduced into public use, or that the public have generally acquiesced in the complainant's exclusive right to the same.

And these defendants deny that the complainant, by any wrongful act of the defendants or any one in connection with them, has been prevented from making large gains, profits, and advantages from the manufacture, use, and sale of said invention, or that they have ever prevented the complainant from putting the invention covered by said letters patent into successful operation, or that they have ever deprived or prevented him from receiving any gains or profits to which he is lawfully entitled

And these defendants, further answering, deny that they have ever made or caused to be made, sold or caused to be sold, used or caused to be used, any folding guide or guides containing the invention, discovery, improvement, or combination, the exclusive right to which is secured to the complainant by said reissued letters patent

No. 5180, and they further deny that they have ever violated or infringed any exclusive right and privilege of the complainant, or that they have derived and received or are still deriving and receiving from such use any gains and profits.

14 And these defendants, further answering, say that they are informed and believe that the said Alexander Douglas was not the original and first inventor of the improvements attempted to be claimed in said reissued letters patent No. 5180, and they aver that folding guides as described in said patent, or substantial or material parts thereof, claimed as new before the alleged invention thereof by said Alexander Douglas, were in public and common use in this country, and, in particular, were so known and used by the following-named persons, viz:

A. F. Johnson, of Brooklyn, N. Y., at and in Boston, Mass.

J. B. Nichols, of Lynn, Mass., at and in the city of Boston, Mass.

John Gault, of New York city, at and in the city of Boston, Mass.

Nesbitt D. Stoops, of Philadelphia, Pa., at and in the city of Boston, Mass.

Rufus Leavitt, of Boston, Mass., at and in the city of Boston, Mass.

Martin Leavitt, of Boston, Mass., at and in the city of Boston, Mass.

L. M. Hussey, of Boston, Mass., at and in the city of Boston, Mass.

W. O. Grover, of Boston, Mass., at and in the city of Boston, Mass.

William E. Baker, of Boston, Mass., at and in the city of Boston, Mass.

Nathaniel Wheeler, of Bridgeport, Conn., at and in said cities of Bridgeport and Watertown, Conn.

John Van Winkle, of New York city, at and in said New York city.

Charles Espe, of New York city, at and in said New York city.

Jonas Tanser, of New York city, at and in said New York city.

Miss Emma Bartlett, of New York city, at and in said New York city.

Miss Augusta Brown, of New York city, at and in said New York city.

15 Emory Farnsworth, Cleveland, Ohio, at and in New York city.

John T. Jones, of Ilion, N. Y., at and in city of New York.

James Bolton, of Chicago, Ill., at and in the cities of New Haven, Conn., and in the city of New York, N. Y.

Francis Potter, of Chicago, Ill., at and in New York city.

John W. Ripley, of Newark, N. J., at and in said Newark and New York city.

George Platts, of Newark, N. J., at and in New York city.

Richard Blees, of Brooklyn, N. Y., at and in the city of New York.

John W. Watson, of Albany, N. Y., at and in New York city.

George B. Sloat, of Richmond, Va., at and in the city of Philadelphia, Pa.

Charles W. Thomas, of San Francisco, Cal., at and in the city of Philadelphia, Pa.

Seth P. Chapin, of Newark, N. J., at and in the city of New York, N. Y.

James S. McCurdy, of Augusta, Me., at and in New York city.

Charles H. Hitchcock, of Troy, N. Y., at and in New York city.

George A. Hitchcock, of Troy, N. Y., at and in New York city.

James Penrose, of Troy, N. Y., at and in New York city.

Robert Penrose, of Troy, N. Y., at and in New York city.

Harris W. Cole, of Troy, N. Y., at and in New York city.

John M. Corlis, of Troy, N. Y., at and in New York city.

William Preiss, of New York city, at and in said New York city.

S. R. Wilmot, of Bridgeport, Conn., at and in New York city.

16 J. Bond, Jr., of Newark, N. J., at and in New York city.

R. E. Curtis, of Binghamton, N. Y., at and in New York city.

Meyer Stern, of New York city, N. Y., at and in said New York city.

S. Rhoman, of New York city, at and in said New York city.

Joseph Murray, of New York city, at and in said New York city.

Marcus L. Steiglitz, of New York city, at and in said New York city.

Daniel Rice, of Philadelphia, Pa., at and in the city of Rochester, N. Y.

Leander W. Langdon, of Brooklyn, N. Y., at and in the city of Rochester, N. Y.

Samuel J. Parker, of Ithaca, N. Y., at and in said Ithaca, N. Y.

Miles L. Clinton, of Ithaca, N. Y., at and in said Ithaca, N. Y.

Charles L. Clinton, of Ithaca, N. Y., at and in said Ithaca, N. Y.

Myron Clinton, of Ithaca, N. Y., at and in said Ithaca, N. Y.

George W. Thomas, of Ithaca, N. Y., at and in said Ithaca, N. Y.

Isaac M. Singer, now deceased, at and in New York city.

Orson C. Phelps, of Brooklyn, N. Y., at and in the cities of Boston, Mass., and Brooklyn, N. Y., and New York city.

Samuel Wilber, of Winchester, Mass., at and in the cities of Boston, Mass., New York, N. Y.

William H. Plummer, of Brighton, Mass., at and in the cities of Boston, Mass., and New York, N. Y.

J. Melvin Brant, of Weymouth, Mass., at and in the city of Boston, Mass.

H. L. Sweet, of Foxborough, Mass., at and in said Foxborough, Mass.

H. H. Blanchard, of Philadelphia, Pa., at and in the city of Troy, N. Y.

17 George Churchill, of Troy, N. Y., at and in said Troy, N.Y.

J. C. Blauvelt, of Newark, N. J.. at and in the city of Syracuse, N. Y.

John H. Christman, of Syracuse, N. Y., at and in said Syracuse, N. Y.

W. J. Rickman, of New York city, at and in Syracuse, N. Y.

Job A. Davis, of Boston, Mass., at and in Syracuse, Binghamton, and New York, N. Y.

Mrs. Harrison, of Syracuse, N. Y , at and in said Syracuse, N. Y.

William Malcomb, of Syracuse N. Y., at and in said Syracuse, N. Y.

John Tracy, of Syracuse, N. Y., at and in said Syracuse, N. Y.

Ellen Waddington, of Jersey City, N. J., at and in said Jersey City and Brooklyn, N. Y.

F. W. Nichols, of Boston, Mass., at and in said Boston, Mass.

George Fessner, of Boston, Mass., at and in said Boston, Mass.

Samuel Eames, of Boston, Mass., at and in said Boston, Mass.

Charles K. Bradford, of Lynfield, Mass., at and in said Lynfield, Mass.

Julia W. Bradford, of Lynfield, Mass., at and in said Lynfield, Mass., and the city of Lynn, Mass.

Caroline M. Ham, of Lynn, Mass.. at and in said Lynn, Mass.

Lazarus Lœser, of Brooklyn, N. Y., at and in said Brooklyn and New York city, N. Y.

And these defendants, further answering, upon information and belief, say that the folding guides patented in said reissued letters patent No. 5180, or substantial and material parts thereof claimed therein as new, were patented, claimed, and shown in the following letters patent, viz:

United States letters patent granted to Henry L. Sweet, Dec. 20th, 1853, No. 10344.

18 United States letters patent granted to John B. Nichols, August 29th, 1854, No. 11615.

United States letters patent granted to John B. Nichols, Jan. 30th, 1855, No. 12322.

United States letters patent granted to Seth P. Chapin, Feb. 19th, 1856, No. 14283.

United States letters patent granted to James S. McCurdy, Feb. 26th, 1856, No. 14322.

United States letters patent granted to A. G. Boynton, Nov. 28th, 1854, No. 12015.

United States letters patent granted to I. M. Singer, Oct. 9th, 1855, No. 13612.

United States letters patent granted to S. C. Blodgett, Jan. 3, 1854, No. 10386.

United States letters patent granted to H. B. Odione, May 8th, 1855, No. 12829.

United States letters patent granted to D. C. Ambler, Nov. 7th, 1854, No. 11884.

English letters patent granted to Newton, Oct. 19th, 1852, No. 14328.

English letters patent granted to Belford, April 6th, 1854, No. 794.

English letters patent granted to Chittenden, June 26th, 1854, No. 1351.

English letters patent granted to Moore, Aug. 27th, 1855, No. 1946.

English letters patent granted to Thomas, March 27th, 1856, No. 740.

And these defendants, further answering, say that the complainant

is not entitled to any degree for an account, nor to the relief, or any part thereof, as is in and by his said complaint demanded.

And these defendants deny that any other matter, cause, or thing in said complainant's bill of complaint contains material or necessary for these defendants to make answer to, and not herein and hereby well and suffiently answered unto, confessed and avoided, traversed, denied, is true to the knowledge or belief of these defendants; all which matters and things these defendants are ready
19 and willing to aver, maintain, and prove as this honorable court shall direct, and pray to be hence dismissed with their reasonable costs and charges in this behalf most wrongfully sustained.

JOHNSON, CLARK & CO.
By ALLEN SCHENCK.

E. L. SHERMAN,
Sol'r and of Counsel for Defendants.

SOUTHERN DISTRICT OF NEW YORK, } ss:
City and County of New York, }

On this 13th day of February, 1880, before me came Allen Schenck, who, being by me duly sworn, says that he is a member of the firm of Johnson, Clark & Co., the defendants herein; that he has read the foregoing answer and knows the contents thereof, and that the same is true of his own knowledge, except as to those matters therein stated on information and belief, and as to those matters he believes it to be true.

[SEAL.] SPENCER H. DOTY,
Notary Public, N. Y. Co.

"Endorsed:" U. S. circuit court, southern district of New York. In equity. Geo. H. Wooster *vs.* A. J. Clark & *al.* Answer. E. L. Sherman, 16 Murray St., New York, sol. & of counsel for defendants. U. S. circuit court. Filed Feb'y 13th, 1880. John I. Davenport, clerk.

20 United States Circuit Court, Southern District of New York.
In Equity.

GEORGE H. WOOSTER, Complainant,
vs.
ANDREW J. CLARK *et al.*, Defendants.

To the Honorable Samuel Blatchford, judge of the U. S. circuit court, southern district of New York:

21 This repliant, having and reserving unto himself all and all manner of advantage of exception to the manifold insufficiencies of the answer herein for replication thereunto, says that he will aver and prove his said bill to be true, certain, and sufficient in law to be answered unto, and that the said answer is uncertain, untrue, and insufficient to be replied unto by this repliant without this, and that any other matter or thing whatever in said answer contained, material or effectual, in the law to be replied unto, confessed and avoided, traversed or denied, is true.

All which matters and things this repliant is and will be ready to aver and prove as this honorable court shall direct, and humbly pray, as in and by his said bill he has already prayed.

Dated New York, February 24, 1879.

ANDREW COMSTOCK,
Complainant's Solicitor, 335 Broadway, New York.

United States Circuit Court, Southern District of New York.

GEORGE H. WOOSTER
against
ANDREW J. CLARK, JOHN W. WHEELER, WILLIAM T. ELLIOTT, Abijah French, and Allen Schenck, Composing the Firm of Johnson, Clark & Company.

Before me, Charles Spiro, a notary public, duly commis-
22 sioned and sworn, dwelling in the city of New York, by consent of the respective parties duly elected to be an examiner in this case, appeared Andrew Comstock, solicitor for the above-named complainant, and E. L. Sherman, Esq., counsel for the defendants, pursuant to notice of examination and taking proofs for final hearing, this 14th day of April, 1880.

ANDREW COMSTOCK, a witness produced on the part of the complainant, who, being by me duly sworn, testifies as follows:

1 X Q. What is your name, age, and occupation?

A. Andrew Comstock; age, 36 years; occupation, attorney and counsellor at law; office, No. 335 Broadway, New York city.

2 X Q. Did you ever visit the store or salesroom of the defendants, and, if so, when and where?

A. I did; on the 7th day of April, 1879, at No. 30 Union Square, in the city of New York.

3 X Q. Did you see any sewing machine attachments for sale there, and did you at that time purchase what is called a binder, and, if so, describe it?

A. I did. I saw sewing machine attachments for sale. They were exhibited to me by a saleslady. I purchased a binder, which I produce. The binders that I saw there are composed of a piece of metal so turned or folded upon itself as to cause the fabric when passed through to be folded on both edges and centre simultaneously. I produce the binder purchased.

Complainant's counsel offers the said binder in evidence; same marked complainant's Exhibit "A."

Complainant's counsel offers in evidence copy of reissued letters patent, originally granted to Alexander Douglas October 5, 1858, extended September 24, 1872, reissued under No. 5180 December 10, 1872, to the complainant, and the same is marked Ex. "B."

23 Cross-examination of witness by Mr. E. L. SHERMAN:

4 X Q. Did you obtain a bill of said exhibit?

A. I did not.

5 X Q- Did you see anybody besides this saleslady that you conversed with at the time you purchased the exhibit?

A. Not at that time.

Redirect examination:

6 X Q. Did you at any time have a conversation with either of the defendants in relation to the sale of the said binders; and, if so, which one, and state the conversation?

A. I did, with Mr. Allen Schenck, a few days after the said day that I purchased the said binder, who informed me that his company made no money by the sale of the articles direct of any consequence; that they furnished a set of attachments, including this binder, with each machine sold for cash.

Recross-examination:

7 X Q. Did not Mr. Schenck, at this or some other interview with you, state that his company did not manufacture binders like Ex. "A," but they bought them of Goodrich; and is not said exhibit known as the Goodrich binder?

A. I believe de did at that or some other conversation I had with him, and the said exhibit is what is known in the market as the Goodrich binder.

ANDREW COMSTOCK.

Sworn to before me, this 14th day of April, 1880.

CHARLES SPIRO,
Notary Public, New York County.

Adjourned.

April 17, 1880, on which day counsel appeared as before.

24 GEORGE H. WOOSTER, a witness for the complainant, being duly sworn by me, testified as follows:

8 X Q. What is your name, age, residence, and occupation?

A. George H. Wooster; age, 50 years; reside on Staten Island, New York; and occupation, prosecuting infringers of patents.

9 X Q. Have you examined letters patent reissue No. 5180, Ex. "B" herein, and do you understand the construction of the folding guides therein described and set forth in the several claims and specifications of said patent?

Objected to by counsel for defendants, as it does not appear that this witness is qualified to act as expert.

A. I have examined the patent carefully a great number of times, and understand the specifications and claims therein set forth.

10 X Q. Have you ever used such folding guides in your business; and, if so, how long?

A. I have largely, from about the year 1860 until 1873, and am very familiar with the various forms into which said device has been made, both for manufacturers' purposes and family use.

11 X Q. Will you describe how those guides were made and formed?

A. They are formed usually of a piece of sheet metal so turned or folded upon itself as to cause the material passing through to conform to the shape into which the said metal has been folded, and the guiding surface of the metal is so turned or folded as to fold the material passing through it upon both edges, or in the centre and one or more edges.

12 X Q. Have you examined the guide or binder Ex. "A" in this cause; and, if so, do you understand the construction and operation of the same?

25 A. I have examined it and binders made like it a great number of times and I do understand its construction and operation.

13 X Q. Please state whether or not the said Exhibit "A" contains and represents the invention described in reissued letters patent 5180, Ex. "B" herein.

A. In my opinion it is substantially like the guide claimed in the 2d, 4th, and 5th claims of said patent, and more particularly the 4th and 5th, inasmuch as the guiding surface is gradually turned or folded so as simultaneously to fold the material passing through it at or near the centre and upon both edges, as set forth in said 4th claim, and is provided with means for attaching it to and combining it with a sewing machine as described in the 5th claim of said reissued patent.

14 X Q. Was the said letters patent reissued to you?

A. They were.

Cross-examination of the witness:

15 X Q. Are you the plaintiff in this suit?

A. I am.

16 X Q. What is the date of the assignment to you from Alexander Douglas of this patent; was it before or after the grant of the reissue No. 5180?

A. It was before the reissue and after the extension.

17 X Q. What did you pay as consideration for that patent?

Objected to by counsel for complainant as immaterial.

A. I decline to answer.

18 X Q. Why?

A. Because it has nothing to do with this case and is inquiring into my private business.

19 X Q. Did you enter into any written contract or agreement with the owners of the Douglas patent concerning it at or about the time of the assignment to you?

26 A. I don't think I ever talked to the owner of the Douglas patent concerning it within five years of the date of its extension.

20 X Q. Did you after the date of the extension?

A. I did talk and probably made an agreement with the owner of the patent after its extension?

21 X Q. Did this agreement specify under what terms and conditions you were to have this patent?

Objected to as not being the best evidence.

A. I forget the particulars of the agreement; I don't think it was in writing.

22 X Q. Don't you know whether it was in writing or not?

A. My best impression is that it was not.

23 X Q. Will you then please state, according to your best recollection, the terms and conditions of that agreement and with whom it was made.

A. The agreement was made with Alexander Douglas, but I decline to state any of its particulars.

24 X Q. Did you or not pay any money to Mr. Douglas as part or whole consideration of the assignment?

A. I did pay money.

25 X Q. How much?

A. I decline to answer.

26 X Q. Did or did not Mr. Douglas retain an interest in the patent?

A. He did not to the value of one cent.

27 X Q. Did you or not at any time subsequent to the assignment by Douglas to you of this patent pay him any money or other valuable consideration on account of this patent; if so, when and what?

A. No, I never did a cent; I never gave him money or other consideration.

28 X Q. Was reissue No. 5180 applied for at your suggestion?

A. Yes, sir.

27 29 X Q. What, in your opinion, was the difficulty with the original patent?

A. As set forth in our application all we had to say on that subject (Mr. Douglas as inventor and myself as assignee), and I really now forget all the reasons offered, but the file wrapper in the Patent Office will probably give better information than I could possibly give now, not having thought of the matter for over seven years.

30 X Q. Did you or not commence any suit for infringement of the original patent after you purchased it, and before the application for the reissue?

A. I don't think I did.

31 X Q. Are you or not acquainted with what is set forth, described, and claimed in the original patent to Douglas?

A. I was and am now familiar with the specifications, because the specifications of the original and reissue were very similar, but I don't remember now what was particularly claimed in the original patent.

32 X Q. What did Douglas in his original application describe his invention to be?

A. The original specifications are the best evidence.

33 X Q. Question repeated.

A. Same answer.

34 X Q. You have testified in this case as expert. Do you consider yourself sufficiently acquainted with what Douglas did to testify as an expert concerning the invention set forth and described

by him in his original patent, and compare the same with what is set forth and described in your reissue?

A. My education cencerning patents and devices has been limited to my experience and use and the study of the patents as they now stand, and I will not attempt to give expert evidence concerning anything else but the reissued patent No. 5180 and devices which I consider infringe the same.

28 35 X Q. Are you or not acquainted with the art of binders prior to the application of Douglas for his original patent?

A. Do you mean the state of the art?

36 X Q. Yes.

A. I think I am.

37 X Q. Do you not know of any binder or folding guide made prior to the date of Douglas' invention, having a guiding surface for gradually turning or folding the cloth at or near the centre and upon one or both edges; if so, whose was it?

A. A large number of suits have been brought by me against various parties for infringement of this reissued patent, a great number of witnesses from different parts of the country have been examined, combinations have been formed and large amounts of money pooled and spent to employ the best counsel and get witnesses together. The Patent Office has been searched time and time again, and records of the Patent Offices in foreign countries also, for evidence to antedate this invention, but to my knowledge nothing has been discovered to antedate the invention of Alexander Douglas for the folding guide inquired of, and I don't know myself of any invention that would antedate it. Neither do I believe there is such a thing to be found, and when the suits had been brought before the courts for decision they have invariably decided in favor of the patent sustaining the same, including suits against infringers dealing in or using the form of binder now in question, Ex. "A."

Answer objected to by defendant's counsel as irresponsive.

38 X Q. As an expert and a man of intelligence, do you call your last answer responsive to the question?

A. You asked me a question concerning my knowledge of what had been done prior to the invention of Douglas, and I think I did, or at least I tried to make it responsive.

29 39 X Q. Will the examiner please read to the witness cross-question No. 37, and will the witness please answer that question, and, if he does not understand, will he please say so?

Question read by Examiner.

A. The question is not difficult of comprehension, and I will answer in the language given in part of the answer to cross-question No. 37, that I do not know of any invention that would antedate the Douglas invention for a binder for gradually turning or folding at or near the centre and upon one or both edges, neither do I believe there is such a thing to be found.

40 X Q. In your answer to the 37th cross-interrogatory you say: "When the suits had been brought before the courts for decision

they have invariably decided in favor of the patent, sustaining the same." Do you mean by that to be understood that the validity of the Douglas patent has been passed upon by any court after a hearing upon full proofs and pleadings; if so, in what case and in what court?

A. The matter has been before the courts in various shapes, and the question concerning the validity of the patent has been argued a great many times before Judge Blatchford, and, as I understand it, he has passed upon the question favorably to the patent, and in a great number of suits which have been brought defendants, after exhausting their evidence trying to antedate the patent, have settled the matter without going into court, and have allowed decrees to be taken against them by default, notably the case against Kursheedt, King & Co., who, after putting in a large amount of evidence, under the advice of Mr. Henry B. Renwick, whom they retained as expert, paid one thousand dollars and took a license for their manufacturing business.

41 X Q. Was the testimony in the suit against Kursheedt,
30 King & Co. placed upon the files of the court?

A. I don't know.

42 X Q. Was or not this case closed or heard upon a motion for preliminary injunction?

A. I think it was partially argued before Judge Blatchford late one Saturday afternoon, but the matter not being fully presented to the court the motion was denied.

43 X Q Was there any testimony taken after the motion was denied?

A. Yes; the testimony was put in on both sides, and the defendants submitted to decree without argument, which was filed on the 6th day of March, 1874.

44 X Q. Has Judge Blatchford passed upon this patent upon any other occasion than that of deciding motions for preliminary injunctions; if so, what case?

A. I think he granted a large number of decrees by default and consent after testimony taken.

45 X Q. Was any decree ever given by Judge Blatchford, or any other judge, other than by consent or default; if so, what and when?

A. I suppose the records of the court would be the best evidence; but this patent has been so fully litigated and so bitterly contested, has been before the court so much and settlements arrived at in so many different ways, and has been so generally acquiesced in, that it would be impossible for me from memory to specify particularly what has been done in each case. The answers in most all of the cases have set up a large number of names and patents upon which they professed to rely, a large proportion of which I find in the answer in this case, but after the witnesses have been exhausted nothing has ever been found affecting the validity of the patent to my knowledge.

46 X Q. This patent having expired, you claim only, I suppose,

damages from these defendants during the existence of the patent; is that so?

A. I do not claim anything but what I am entitled to, and
31 do not suppose I shall or have claimed anything as damages after the expiration of the patent, so far as infringement of it is concerned.

47 X Q. What amount of damages do you claim from these defendants?

Objected to as immaterial.

A. Ten cents for each folding guide made or disposed of for family use and fifty dollars per year for each one that was used in a manufacturing business, or disposed of for that purpose, being the amount of my regular license fee, according to the circumstances.

48 X Q. What guides do you refer to in answer to the 11th interrogatory?

A. The folding guide inquired of in question 9.

49 X Q. Will you please look at the drawings of reissue 5180, and state what you understand to be represented by figure 8?

A. Figure 8 is supposed to be the drawing of a binder of the same sectional form throughout.

50 X Q. Does such a binder or folding guide have a guiding surface; and, if so, is it or not shown or described in the patent?

A. It undoubtedly has a guiding surface, and it is not gradually, as I understand it, folded upon itself, but is of the same sectional form throughout its entire length.

51 X Q. In a folding guide, constructed in the manner shown in figure 8, what must be the width of the cloth to pass through the binder so that the two edges shall be folded over?

A. It must be wide enough to extend around the curved metal nearest the letters B and C, as shown in figure 8.

52 X Q. As an expert, in your opinion, will the cloth, in passing through the binder, like figure 8, turn or fold the material upon one or both edges?

A. If the material is wide enough, by passing through the
32 form shown in figure 8, it will be folded in the centre and on both edges, but if the material should be a little narrow it is obvious that it would be turned on the centre and on one edge only.

53 X Q. Suppose the width of the cloth to be equal to the distance from the point of "B," large on the left-hand side of figure 8, to and around the curves "B" 2, up to a point at the end of the pieces turned under; in that case would the material be folded upon both edges?

A. The question is too vague; I cannot answer it.

54 X Q. Suppose the under parts form the curve "B" 2, leaving space enough only for the cloth to pass in, would it or not in that form differ from the guide shown in figure 8 in mode of operation and result produced; I mean, of course, when attached to a sewing machine and cloth running through it?

A. The turn in the curves "B" 2 can be larger or smaller, and

would have only the effect of making the turned-in edges of the cloth wider or narrower, as the case may be, provided the cloth passing through it was sufficiently wide.

55 X Q. Then, if I understand you, the length of the turned-in pieces has nothing to do with the folding of the material on both edges, except only as to the width of the fold; am I correct?

A. It has all to do with it, both as to width and turning it in. I consider that the folding guide shown in figure 8 is like that shown in figure 7, providing figure 7 was of the same sectional form throughout.

56 X Q. Do you understand that the binder shown in figure 8 is made double, like that shown in figure 7?

A. I see some dotted lines, and suppose and have always considered it to be like that shown in figure 7. The only knowledge we have of that is from what is said concerning it in the specifications, there being no model of it in the Patent Office. I may be right and may be wrong, but that is what I take it to be.

57 X Q. Suppose that the binder shown in figure 8 was
33 single instead of double, as you think, would or would not such a binder accomplish all that could be done if it were double?

A. I have not been in the single or double subject; any answer to such a question could be easily misconstrued, but by producing a model of what you suppose "a single" binder would be I can answer it more intelligently.

58 X Q. Is the description of figure 8 in your reissue patent the same as it was in the original patent—that is, its purpose and construction?

A. I have not compared it to see.

59 X Q. In Douglas' original application now on file in the Patent Office, what did he describe his invention to be?

A. I don't remember the particulars.

60 X Q. What was the substance or subject-matter of the claims in Douglas' original application?

A. I refer you to the document itself as being the best information; I have not looked at it for years.

61 X Q. As a matter of fact within your own knowledge, did not Douglas, in his original application, describe his invention to be the combination and arranging of two Chapin guides as made under Chapin's patent of February 19, 1856?

A. No; I don't think he did.

62 X Q. Are you positive of that?

A. I give you my impressions; that is all I can do without referring to the document.

63 X Q. In your application for the reissue of this patent, was it not urged that the Douglas invention should be constructed as something different from the combinations of two Chapin guides or hemmers?

A. I don't remember that it was.

64 X Q. Is or is not the Douglas binder, as described and shown in his patent and the reissue thereof, automatic in its action—that

is, will it fold and lay the binding without any manipulation of the hand after the cloth or binding has once been introduced into the device?

34 A. The form of binder shown in the drawings is such that if the strip to be used is just the width of the opening it will turn the fold without any assistance of the hand, but if the strip should be a little too narrow assistance from the hand will be required, in order to keep the strip running through the centre or to one side of the guide, as may be desired. If the strip is so narrow as to be able to be folded in the centre and upon one edge only it would be necessary to hold with the fingers the strip against that edge as it would pass through. In the manufacturing business when that particular form of the Douglas guide is used it is very seldom that strips are cut exactly the width of the folding guides through which they are to pass, and, nine out of ten, manipulation by the fingers is necessary.

65 X Q. In actual operation if the strip of cloth is narrower than the opening of the binder there is only one edge of the cloth turned under; is that so?

A. No; that is not so, unless the strip should be so narrow that there would not be enough to turn on both edges; it would necessarily, if held on one edge, be turned on that edge only; but the strip can be narrower than the opening and yet be wide enough to turn on both edges and in the centre, but the turn on the edges would not be as wide as if the strip had been cut the full width of the binders—that is, there would not be so much of the material turned over on the edge.

66 X Q. By "opening" do you mean the part figure 2 or figure 7?

A. I mean figure 2 and figure 7 both, as the size in the opening of both is the same.

67 X Q. Suppose the piece of cloth to be so narrow that the binder only turned it on one edge, it would be a hem, would it not, then?

A. I should not call it by that name.

68 X Q. What is the operation of hemming with a hem on a sewing machine?

A. To take two turns in the edge of a piece of cloth.

35 69 X Q. Was not that done by the Chapin hemmer or guide?

A. The form of Mr. Chapin's guide was so peculiar that I could hardly tell what it would do. There were different forms, I believe, and we would consider them quite impracticable now-a-days.

70 X Q. Did not the Chapin device turn one edge of the cloth upon itself?

A. I think it was intended to do so, perhaps.

71 X Q. All that Douglas did was to turn two edges, was it not?

A. No; he did much more.

72 X Q. What more did he do that had not been done before?

A. I think he made a folding guide which had a guiding or supporting surface and an enclosed channel-way, which guided and supported the whole width of the material passing through it, and which simultaneously folded strips on two or three lines.

73 X Q. Did not Sweet and Nichols do substantially the same thing?

A. No; they did not.

74 X Q. Did not Sweet and Nichols have "a folding guide which had a guiding or supporting surface and an enclosed channel-way which guided and supported the whole width of the material passing through it?"

A. Sweet's folding guide had an enclosed channel-way, but it was capable only of folding the material in the centre only, and had a supporting and guiding surface. Nichols', as I understand it, was a device of an entirely different kind, the whole length of the folder being less than half an inch, and would fold indifferently in the centre only, but I have not seen a Nichols folding guide for a number of years.

75 X Q. Suppose that the Sweet folding guide would turn the material at or near the centre and upon one or both edges, how would it differ from the Douglas folding guide?

36 A. I think it would have to be reconstructed and made to contain the improvements patented in the Douglas before it would become a supposable case.

76 X Q. If an operator could take the Sweet folding guide, as shown in Sweet's patent of 1853, and be able to turn the material at or near the centre and upon one or both edges, would it not be all that Douglas claimed in the 2d and 4th claims of his reissued patent?

A. Perhaps not; because to enable an operator to do such a thing as that it would be necessary to run or pass something through it that would entirely alter its shape, for the Sweet guide, as represented in the model at the Patent Office, a certified copy of which I have experimented with, I have found it impossible to pass anything more through it than a very thin strip of material, which filled the whole opening surface, and the folding guide being so constructed as to measure exactly one-half at the discharging end of its width at the entering end, it would be impossible for that folder to do anything more than to fold the strip in the centre.

77 X Q. Question repeated.

A. Same answer.

78 X Q. Then, in your opinion, it might have been; is not that so?

A. All the manipulations of the operators in the world could not make that folding guide fold any other way than in the centre only. I did commence proceedings some years ago for infringement of this patent against a certain concern of this city, they putting in the Sweet patent as a defence, claiming that it would fold a strip in the centre and on both edges, and they produced a model with a certificate of the Patent Office attached which purported to be an exact copy of the model in the Patent Office, but, upon comparing that with our certified copy, we found that the opening of the Sweet model had been enlarged to nearly double its original width,

37 and the channel-way enlarged at the discharging end, and

when they found that they were detected they settled, paying me $1,000.

Last part of answer is objected to as immaterial and irrelevant by Mr. Sherman.

79 X Q. In your opinion, does it make any difference, as concerns the Sweet binder, what the size of the opening is, so far as regards what Sweet invented and patented?

A. Perhaps not.

80 X Q. Suppose the large opening in Ex. A had been made flat instead of circular, and the guiding surface gradually brought to the shape of the smaller end, would the exhibit in that form still be an infringement of the 2d, 4th, and 5th claims of your reissued patent?

A. I think probably it would.

81 X Q. Is the Exhibit A to-day in the same condition as it was when first introduced as an exhibit?

A. Yes, just the same.

82 X Q. What constitutes Ex. A; of what parts is it composed?

A. A folding guide, as described in previous answers.

83 X Q. How would the folding guide referred to in cross-question 80 differ from the folding guide shown in the drawing of Sweet's patent of 1853, figures 1 and 3?

A. I have not the Sweet patent present to compare it with.

84 X Q. Are you or not acquainted with the Sweet patent, and understand what is shown and described therein?

A. I am familiar with it, but would not like to testify concerning the drawings unless they were present to be used on the trial in explanation of what I may say concerning them.

85 X Q. From your recollection of the Sweet patent and drawings is not the discharge end of Ex. A of the same shape as the discharge end of the Sweet binder?

A. Similar, I think, but yet not like it.

38 86 X Q. You have described Ex. A in your answer to the 13th question, and used the following language: "The guiding surface is gradually turned or folded, so as simultaneously to fold the material passing through it at or near the centre." What do you mean by this—the centre of what?

A. At or near the centre of the strip of goods that is folded precisely as stated.

87 X Q. As a matter of fact, is the material or strip as it passes in and out of Ex. A folded in any other place or line than upon the edges?

A. Yes; folded in the centre and on the edges. There will be three turns or folds in a strip which is passed through it.

88 X Q. Will you please mark on Ex. A that part of the exhibit where the central fold is made?

A. Not necessary.

89 X Q. Question repeated.

A. It is one of those things that the court can see for itself, and marks might be changed inadverently.

90 X Q. Does or does not the strip of material as it passes out of Ex. A receive the shape of the exhibit except at the points where the edges are turned under?

A. The strip conforms itself to the shape of the guide as it passes through it.

91 X Q. Is not the exhibit constructed upon true curves in its folding part?

A. No; I don't think it is exactly. It appears to be flattened as it approaches its discharging end.

92 X Q. Was it in that shape originally?

A. So far as I know, I think it was. It was not changed to my knowledge.

93 X Q. Where do you understand the centre of a curve to be?

A. In the middle.

94 X Q. In the middle of what?

A. If the gentleman will please ask questions that pertain to this case, I will answer them.

39 65 X Q. Suppose the curve to be a true circle, what would be its centre?

A. A point in the centre equidistant from any point of the circumference.

96 X Q. What do you understand, as an expert, to be the difference between the 2d and 4th claims of your reissued patent?

A. The 2d claim is for folding the material simultaneously, but not gradually. The 4th claim is for a gradual fold.

97 X Q. You have said in your direct examination that Ex. A infringed the 2d claim of your reissued patent, with the explanation you have just given as to the difference between the 2d and 4th claims; are you still of the opinion that the Exhibit A infringes the 2d claim?

A. I think so.

98 X Q. You have also stated in your direct examination that Ex. A infringed the 5th claim of your reissue; will you please point out where in said ex. you find the means for attaching it to a sewing machine?

A. Yes, sir; the guage, which is soldered to the back part of the binder, is the means by which it is attached to a sewing machine, a spring lever being required, which I now produce, through which a screw passes, and by its means it is held down to the sewing machine. Said spring lever marked Ex. A connection.

99 X Q. Then, if I understand you correctly, the "means" for attaching Ex. A to a sewing machine consists of an independent piece which you have produced, marked Ex. A connection; is that so?

A. That is a mere extension of the part which is used to connect the guides to the sewing machine.

100 X Q. Is not Ex. A connection a separate and independent piece from Ex. A?

40 A. It is not soldered fast to any part of Ex. A, but yet really is a part of it.

GEO. H. WOOSTER.

Sworn to before me this 20th day of April, 1880.

CHARLES SPIRO,
Notary Public, New York County.

41 No. 5180. Reissue.

THE UNITED STATES OF AMERICA.

To all to whom these presents shall come:

Whereas Alexander Douglas, of New York, New York, assignor by mesne assignments to George H. Wooster, has presented to the Commissioner of Patents a petition praying for the reissue of letters patent for an alleged new and useful improvement in folding guides for sewing machines (for which letters patent were issued to him dated October 5, 1858, and extended seven years from October 5, 1872, which letters having been surrendered, the same have been cancelled, and new letters ordered to issue to said assignee on an amended specification), a description of which invention is contained in the specification, of which a copy is hereunto annexed and made a part hereof, and has complied with the various requirements of law in such cases made and provided; and

Whereas, upon due examination made, the said claimant is adjudged to be justly entitled to a patent under the law:

42 Now, therefore, these letters patent are to grant unto the said George H. Wooster, his heirs or assigns, for the term of twenty-one years from the fifth day of October, one thousand eight hundred and fifty-eight, the exclusive right to make, use, and vend the said invention throughout the United States and the Territories thereof.

In testimony whereof I have hereunto set my hand and caused the seal of the Patent Office to be affixed, at the city of Washington, this tenth day of December, in the year of our Lord one thousand eight hundred and seventy-two, and of the Independence of the United States of America the ninety-seventh.

[L. S.] B. R. COWEN,
Acting Secretary of the Interior.

Countersigned:
M. D. LEGGETT,
Commissioner of Patents.

UNITED STATES PATENT OFFICE.

ALEXANDER DOUGLAS, of New York, N. Y., assignor, by mesne assignments, to George H. Wooster.

Improvement in Folding Guides for Sewing Machines.

Specification forming part of letters patent No. 21659, dated October 5, 1858; extended seven years; reissue No. 5180, dated December 10, 1872.

To all whom it may concern:

Be it known that I, Alexander Douglas, of the city, county, and State of New York, have invented a new and improved folding guide

43

A. DOUGLAS.

Folding-Guide for Sewing Machines.

No. 5,180. Reissued Dec. 10, 1872.

No. 268
Clark, Extr. et al
vs.
Wooster
p. 43.

Fig. 1

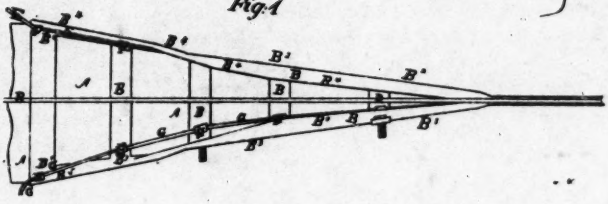

Fig. 8

Fig. 2

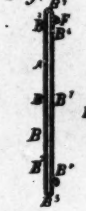

Fig. 3

Fig. 4

Fig. 5

Fig. 6

Fig. 7

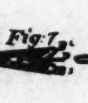

Fig. 9

Witnesses:
Wm. S. Packer
Edwin A. Booth

Alex. Douglas
Inventor

for folding and turning in the edges of a piece of cloth or other material for binding, or for other similar purposes, preparatory to sewing; and I do hereby declare that the following is a full, clear, and exact description of the same, reference being had to the accompanying drawing forming part of this specification, in which—

(Here follows diagram, marked p. 43.)

44 Figure 1 is a view of my folding-guide so formed as to fold the material simultaneously upon the center and upon both edges. Figs. 2, 3, 4, 5, 6, and 7 are transverse sections of the said guide at the points where the strengthening transverse pieces B B, &c., are situated, as shown in Fig. 1. Fig. 8 is a cross-section of a binder which is of the same sectional form at both ends. Fig. 9 is a cross-section of a binding as it issues from the said guide.

Similar letters of reference indicate corresponding parts in the several figures.

To enable others to make and use my invention I will proceed to describe its construction and operation.

The simplest method of constructing my improved guide is to take a plate of metal, A, of a width somewhat greater than that of the strip or piece of cloth or other material which is to be folded, and have the edges of such plate turned toward each other the whole length of the plate. The plate having its edges thus turned or bent has the bent edges turned again on the lines B^2 B^3, the turn commencing at a short distance from the end shown in Figs. 1 and 2, and increasing toward the other end, as shown in Figs. 3, 4, 5, 6, and 7. If it is desired to fold the material in the center, the plate may be then again bent at or near the middle, commencing at the end shown in Fig. 2, and gradually increasing all the way along to the other end, as shown in section in Figs. 2, 3, 4, 5, 6, and 7. This gives the edges of the said plate the curved and twisted appearance shown in Fig. 1. This piece of metal, A, is the guiding surface of the folder. Its shape and folds determine the number and character of the folds in the material to be guided. The plate A may be strengthened by transverse pieces B B, which are secured to its edges, and lie as close as practicable to the concave side of the plate, just leaving space enough for the cloth to pass between them and the plate A. By inserting a strip of cloth or other material into the guide at the end shown in Fig. 2, and drawing it toward the other end, it will follow the configuration of the surface of the exterior plate A,
and will be folded into a shape indicated by the turnings of
45 said guiding-surface. Small projections, provided with holes for the passage of cord, may be arranged, as shown at Fig. 1, F and H, so as to guide a cord or cords under the turned edge or edges of the material.

To apply the binding to the edge of cloth or other material, such edge is placed in such relation to the guide as is shown in the line D in Figs. 1 to 9, and is drawn along at the same time that the binding is drawn along, either by the feed of a sewing machine or other device. The binding is stitched at the proper places for holding

the edges and a cord, if a cord is used. The ordinary line of stitching is indicated in Fig. 9 by the line C C.

If the guide is used in combination with a sewing machine, as will ordinarily be the case, it will be attached to the cloth-plate in such a position as to discharge the folded material under the needle and in the line and direction of the feed.

In Figs. 1, 3, and 6 are shown screws for fastening the guide, there represented, to the cloth-plate. The direction of the screws indicate what will be, in that case, the position of the guide. In Fig. 8 I have shown a section of another form of binder for the same purpose and productive of the same result, but which is of the same sectional form thoroughout, and is not gradually folded upon itself in converging lines, as described and shown in the case of the first-mentioned guide.

It is manifest from the above description that if the guide be not turned or folded together, through the center, or if one of the edges be not folded over, or if the strip of material be not wide enough to receive the fold on both edges, in the first case the material will be folded only upon each of the edges, and in the last cases it will be folded near the center and upon one edge only.

The great advantage of my guide is that by reason of the folding of the edges it permits the use of raw-edged material without a selvage; another is that it combines cording with binding.

I do not claim guides for folding material through the
46 center only, as those are described in Sweet's patent of 1853, Nichol's patent of 1856, McCurdy's patent of 1856, Singer's patent of 1856, and by others; nor do I claim guides for turning or hemming one edge of a piece of cloth or other material, except when the guide is so shaped as also to simultaneously either fold the material in the center or upon the other edge; but

What I do claim is as follows:

1. A folding-guide, the guiding surface of which is turned or folded at each edge, so as simultaneously to fold the material on each edge, substantially as described.

2. A folding-guide, the guiding surface of which is turned or folded so as simultaneously to fold the guided material at or near the center and upon one or both edges, substantially as described.

3. A folding-guide, the guiding surface of which is gradually turned or folded at each edge, so as simultaneously to fold the material on each edge, substantially as described.

4. A folding-guide, the guiding surface of which is gradually turned or folded so as simultaneously to fold the material at or near the center and upon one or both edges, substantially as described.

5. A folding-guide, substantially as described, provided with means substantially, as described, for attaching the same to and combining it with a sewing machine.

6. A folding-guide, substantially such as described, provided with a cord guide, as and for the purposes set forth.

ALEX. DOUGLAS.

Witnesses:
EDWIN A. BOOTH.
WM. S. PACKER.

47 At a stated term of the circuit court of the United States of America for the southern district of New York, in the second circuit, held at the United States court-rooms, in the city of New York, on Monday, the 13th day of June, in the year of our Lord, one thousand eight hundred and eighty-one.

Present: The Honorable Samuel Blatchford, circuit judge.

GEORGE H. WOOSTER *vs.* ANDREW J. CLARK & *al.*

The above cause coming on for final meaning upon pleadings and proofs, the same is submitted to the court on such pleadings and proofs and upon briefs of counsel.

48 Circuit Court of the United States for the Southern District of New York.

GEORGE H. WOOSTER *vs.* ANDREW J. CLARK and others.

BLATCHFORD, *J.:*

The motion to strike out the testimony taken on the part of the defendants must be granted. Rule 69 is imperative that no testimony taken after time shall be allowed to be read at the hearing. The plaintiff duly objected on the record to the taking of what was taken on the ground that it was taken after time, and such objection has never been waived. Moreover, the defendants after that specially moved for time to take proofs, and the motion was denied.

The proof of the sale of a binder is sufficient. It is plain that it infringed claims 2, 4, and 5. The granting of the reissue to the plaintiff is sufficient proof of his title to sue.

There must be a decree for the plaintiff.

49 (Endorsed:) Circuit court of the United States for the southern district of New York. George H. Wooster *vs.* Andrew J. Clarke & others. Decision Aug-st 29, 1881. U. S. circuit court. Filed Aug. 29, 1881. Joseph M. Deuel, clerk.

50 At a stated term of the circuit court of the United States, in the second circuit and for the southern district of New York, held in the United States court-rooms, in the post-office building, in the city of New York, on the — day of September, 1881.

Present: Hon. Samuel Blatchford, circuit judge.

GEORGE H. WOOSTER
ag'st
ANDREW J. CLARK, JOHN W. WHEELER, WILLIAM T. ELLIOTT, ABIJAH FRENCH, and ALLEN SCHENCK.

This cause coming on to be heard upon the proofs and motion to strike out certain proofs taken on the part of the defendants
51 on the 13th day of June, 1881, and the same having been submitted to the court:

Now, after due deliberation, it is ordered, adjudged, and decreed

that the letters patent of the United States issued to Alexander Douglass, dated October 5th, 1858, No. 21659, for an improved folding guide, which letters patent were extended for seven years from the 5th day of October, 1872, and duly assigned to George H. Wooster, complainant herein;

And the said patent having been reissued to said complainant on the 10th day of December, 1872, and numbered 5180, was good and valid in law.

That the said Alexander Douglass was the first and original discoverer and inventor of the devices and inventions claimed
52 and described in said letters patent and in the specifications annexed thereto, and that the complainant, George H. Wooster, is the exclusive owner of said reissued letters patent.

That the defendants have infringed upon said reissued letters patent and upon the exclusive rights of the complainant under the same; that is to say, by buying, selling, and using, or causing to be used, folding guides, as described and claimed in said letters patent and in the 2d, 4th, and 5th claims thereof.

And it is further ordered, adjudged, and decreed that the complainant do recover of the defendants the profits, gains, and advantages which the defendants have derived, received, or made by reason of the infringement of the complainant's patent, as set forth
53 in the bill of complaint, by any purchase, sale, or use thereof, and also that the complainant do recover any and all damages he has sustained by reason of any infringement of said letters patent by the defendants.

And it is referred to John A. Shields, *pro hac vice*, a master of this court, to take and state the account of said gains, profits, and advantages, and to assess such damages, and to report thereon with all convenient speed.

And the defendants, and each of them, are hereby directed and required to attend before said master from time to time, as required, and to produce before him such books, papers, documents, and devices used or dealt in as relate to the matter at issue, and submit to such oral examination as the said master may require.

54 And it is further ordered, adjudged, and decreed that the complainant do recover of the defendants his costs and charges and disbursements of this suit, and that the question of an increase of damages and all other questions be reserved until the coming in of the master's report.

SAM'L BLATCHFORD.

"Endorsed:" U. S. circuit court. George H. Wooster ag'st Andrew J. Clark *et al.* Interlocutory decree. Andrew Comstock, compl't's sol'r, 240 Broadway. Take notice that the within decree will be presented for settlement and entry herein to his Hon. Samuel Blatchford on the 14th day of Sept., 1881, at the U. S. court-rooms in the post-office building in the city of New York, at the opening of court on that day, or as soon thereafter as counsel can be heard. N. Y., Sept. 5th, 1881. Yours, &c., Andrew Comstock, compl't's sol'r.

55 To E. L. Sherman, Esq., d'fts' sol'r. Due service of a copy of

the within decree and the above notice of settlement is hereby admitted. N. Y., Sept. 5, 1881. E. L. Sherman, d'f't's sol'r. U. S. circuit court. Filed Sept. 14th, 1881. Joseph M. Deuel, clerk.

56 United States Circuit Court, Southern District of New York.
In Equity.

GEORGE H. WOOSTER *vs.* ANDREW J. CLARK *et al.*

Exceptions taken by the defendants to the report made herein by John A. Shields, Esq., one of the masters of this court, to whom this cause was referred, by an order of this court, made and entered on the — day of September, A. D. 1881, which report bears date the twenty-second day of April, A. D. 1882.

First Exception.

For that the said master stated that "from his (complainant's) direct examination it appears that he had granted licenses under his patent," whereas the said master should have stated in his report that the only evidence of the granting of licenses was the unsupported statement of the complainant.

Second Exception.

For that the said master, in his report, stated that "the complainant's standard license fee for each folding-guide purchased and disposed of for domestic purposes—that is, for family use—was ten cents," whereas the master should have stated in his report that the only evidence of a standard or established license fee was the
57 naked statement of the complainant, unsupported by any other proof, or the production in evidence of any executed license.

Third Exception.

For that the said master, in his said report, states that complainant "presented also a blank license, prepared for use in such cases," whereas he should have stated that the blank form of license introduced by the complainant cannot be considered evidence of an established license fee, inasmuch as it is filled with alterations and interlineations which have not been explained, and is, therefore, illegal, and should not be considered evidence; and, moreover, that the said form of license was unsigned.

Fourth Exception.

For that the said master, in his report, states: That the complainant's evidence "is in nowise rebutted by the defendants," whereas he should have stated that this evidence of complainant is not of such nature and character as would call upon or require of the defendants to produce any evidence in rebuttal.

Fifth Exception.

For that the said master, in the final summing up of his report, stated: "I accordingly find and report that complainant had an established license fee of 10 cents for each guide purchased or disposed of by the defendants," whereas the said master should have stated that complainant had failed to prove an established fee for each guide purchased or disposed of by the defendants, and that complainant is, therefore, entitled to only nominal damages.

Sixth Exception.

For that the said master, in his report, stated that complainant's damages should be "fifteen hundred dollars." Whereas the
58 said master should have stated that complainant is entitled to damages in the nominal sum of six cents.

Seventh Exception.

For that the said master in his report stated that "in the absence of proof of the exact time when such amount become due interest is allowed thereon from the 5th day of October, 1879, the date when such patent expired." Whereas the said master in his report should not have said anything whatever about interest, as that is a matter within the discretion of the court, depending upon the peculiar circumstances of each case, and the decree of the court empowering the master to make a report did not authorize him to make any mention in his report of interest or in any way to decide as to the date when interest should commence.

All of which is respectfully submitted.

E. L. SHERMAN,
Solicitor and of Counsel for Defendants.

59 Circuit Court of the United States for the Southern District of New York.

GEORGE H. WOOSTER *vs.* ANDREW J. CLARK *et al.*

To the judges of the circuit court of the United States for the southern District of New York:

By the decretal order made and entered herein on the fourteenth day of September, 1881, this cause was referred to me "to take and state the account of the gains, profits, and advantages which the defendants have derived, received, or made by reason of the infringement of the complainant's patent by any purchase, sale, or use thereof, and to assess the damages he has sustained by reason of any infringement of said letters patent by the defendants."

In attending to the duties assigned me the complainant has been represented by Andrew Comstock, Esq., and the defendants by E. L. Sherman, Esq. Several sessions were had, and all the evidence offered by either party has been taken, considered, and is filed herewith.

My labors were materially shortened by the agreement of both parties that it should be considered that the defendants have purchased and disposed of fifteen thousand binders or improved folding guides covered by the decree, and the complainant, waiving further examination of the defendants as to profits, limited himself to the question of damages.

The only question, therefore, for me to ascertain is the extent of the damages sustained by complainant. Upon this questfon the complainant was the only witness examined.

60 From his direct examination it appears that he had granted licenses under his patent, and that his standard license fee for each folding guide purchased and disposed of for domestic purposes—that is, for family use—was ten cents, and names several companies to whom such license was issued. He presented also a blank license prepared for use in such cases.

From his cross-examination it appears that suits had been brought by complainant against many parties for infringing his patent, some of which had been compromised without ascertaining the exact number of guides which had been dealt in, and some wherein complainant accepted the representations of the defendants as to the number used or disposed of, in the latter of which the basis of compromise was the license fee of ten cents.

It is contended on the part of the defendants that an established license fee has not been proven for the following reasons:

First. Because a *bonâ fide* license, fully executed between the complainant and some party taking the same out, was not put in evidence; and,

Second. Because complainant had not strictly adhered to and applied such rate in the settlement of various litigations.

The complainant gave testimony of his license fee and also the names of various parties with whom contracts had been made at such rate. This is in no wise rebutted by the defendant and it nowhere appears that any party or company had ever been licensed by complainant at a different rate than sworn to by him.

The evidence does not warrant me, therefore, in sustaining the first ground of contention of the defendants.

As to the second ground, it is not made satisfactorily to appear in all the cases on what precise basis settlement was made. In one of the causes a round sum was agreed upon in settling two suits. It would appear that at that time complainant had some doubt

61 as to the solvency of the defendants, and he accepted a sum mentioned and disposed of both suits, it being represented to him by said defendants that a much less sum would more than cover his license fee.

In another suit complainant testifies that he made no claim to the number of guides disposed of, because he had no data upon which to base such a claim.

In one of the suits the defendant represented that a certain number had been dealt in, and this suit was settled on the basis of his established fee.

In another suit it appears that complainant received more than

ten cents for each guide which the defendant represented had been disposed of, but what this excess covered the evidence does not disclose. This covers all the causes coming under the rate of license fee involved in this suit that were compromised.

The settlement of the remaning causes comes under another rate, and does not, in my estimation, disprove the establishment of a regular fee.

The complainant seems to have relied largely and in most cases upon the representations of the defendants, and then to have applied his usual rates, or, as he expressed it in connection with the use of large numbers, the "commutation rates" for manufacturers.

From the evidence before me, I feel justified in concluding, and I accordingly find and report, that complainant had an established license fee of ten cents for each guide purchased or disposed of by the defendants, and that such fee must be the measure of complainant's damages. This, therefore, would give to the complainant fifteen hundred dollars.

In the absence of proof of the exact date when such amount becomes due, interest is allowed thereon from the 5th day of October, 1879, the date when said patent expired.

All of which is respectfully submitted.

April 22, 1882.

JOHN A. SHIELDS,
Master, &c.

62 U. S. Circuit Court, Southern District of New York.

GEORGE H. WOOSTER
against
ANDREW J. CLARK, JOHN W. WHEELER, WILLIAM T. ELLIOTT, ABIJAH FRENCH, and ALLEN SCHENCK.

Reference before John A. Shields, master, &c., per order of court, dated New York, Oct. 8th, 1881.

Present: Andrew Comstock, Esq., on part of complainant, and W. H. Hicks, Esq., representing E. L. Sherman, counsel for defendants.

Complainant's counsel requests the master to make an order requiring the defendants to appear and produce a sworn statement and account of all the folding guides or binders made, or caused to be made, sold, or caused to be sold, by them, or their agents or employees, given away, or kept on hand, between the 10th day of December, 1872, and the 5th day of October, 1879, and that they produce a sample of each and every kind so made, sold, kept on hand, or given away, and to whom, and that said defendants be present and produce such statement and account on the 20th day of October, 1881, at one o'clock p. m.

The master orders that the defendants appear on the 20th day of October, 1881, at one o'clock p. m., and produce a sworn statement and account of all the folding guides or binders made, or caused to be made, sold, or caused to be sold, by them, or their agents or em-

ployees, given away, or kept on hand, between the 10th day of December, 1872, and the 5th day of October, 1879, and that they
63 produce a sample of each and every kind so made, sold, kept on hand, or given away, and to whom, and that said defendants be present and produce such statement and account on the 20th day of October, 1881, at one o'clock p. m.

The master adjourns the hearing until the 20th of October, 1881, at one o'clock p. m.

NEW YORK, *October* 20, 1881—1 o'clock p. m.

Met pursuant to adjournment.

Present: A. Comstock, Esq., of counsel for complainant, and E. L. Sherman, Esq., of counsel for defendants.

The master adjourns the further hearing in this case to Monday, November 7, 1881, at 2 o'clock p. m.

NEW YORK, *November* 7, 1881—2 o'clock p. m.

Met pursuant to adjournment.

Present: A. Comstock, Esq., of counsel for complainant, and E. L. Sherman, counsel for defendants.

ALLEN SCHENCK, one of the defendants, appearing here in conformity with the order of the master herein, being duly sworn, deposes as follows:

Q. 1. Have you with you samples of each and every kind of folding guide made, sold, or used, or purchased by you or your firm between the 10th day of December, 1872, and the 5th day of October, 1879, as required by the order of the master of October 8, 1881, made herein?

Defendants' counsel objects to so much of the question as calls for the production other than that testified about in the original
64 record of this case, and asks that the order of the master be amended in accordance therewith.

Objection overruled, and exception taken.

A. I have not, and it would be impossible for me to produce all of them. I can produce the principal ones.

Q. 2. Produce such as you have.

A. I will produce one of the kind already in this case.

Q. 3. Why have you not produced such guides as called for by the order?

A. I did not understand that there were to be questions of this kind to-day.

Q. 4. You have returned a statement here, and in that statement you say that you are unable to give the exact number of folding guides or binders sold or given away, and that you will produce the smaeas required and ordered by the master. That is so, is it not?

A. Yes, it is.

Complainant's counsel asks for an order requiring the defendants to produce at the next meeting all books, papers, and invoices showing the number of folding guides covered by the decree herein manufactured, purchased, sold, or given away by them or their agents, between the 10th day of December, 1872, and the 5th day of October, 1879.

The master so orders.

Adjourned by consent to Saturday, November 12th, at 11 o'clock a. m.

65 NEW YORK, *November 12th*, 1881—11 o'clock a. m.

Met pursuant to adjournment.

Present: Counsel as before.

Examination of Mr. SCHENCK continued:

Q. 5. Have you produced, in compliance with the master's order, a sample of each and every kind of folding guide made, sold, used, or purchased by you or your firm between the 10th day of December, 1872, and the 5th day of October, 1879?

A. I now produce a sample of the guides as called for by the master's order. The sample produced is the same kind as nearly all the binders bought or sold by us. In the invoices herewith produced I find one Blazins binder and two Singer adjustable binders, but am unable to produce samples.

The sample produced offered in evidence, and the same is marked Complainant's Exhibit No. 1, Nov. 12th, 1881. J. A. S., master, &c.

Q. 6. Have you also, in compliance with the order, produced the books, papers, and invoices showing the number of folding guides sold, purchased, manufactured, or given away between the said dates by you or your firm?

A. I have produced and here produce the vouchers or invoices as called for with the exception of the years 1872, '3, '4, and '5, which, to the best of my belief, have been long since destroyed. I also produce sale books from December 10th, 1872, to October 5th, 1879, which, to the best of my knowledge and belief, contain a record of all the binders sold by us during that time.

Complainant's counsel offers in evidence the invoices in question, and the same are marked Complainant's Exhibit Invoices A, B, C, D, E, F, G, H, I, J, and K, November 12th, 1881. J. A. S., master, &c.

66 Complainant's counsel also offers the sales books produced and the same are marked Complainant's Exhibit Sales Books 1, 2, 3, 4, 5, and 6, November 12th, 1881. J. A. S., master, &c.

Q. 7. In your sales book and invoices there are charges of "Keystone sets." What do those sets consist of?

A. Part of the time they contained three hemmers and a binder.

Defendants' counsel states that this witness has already produced before the master all of the books required by the master's order, But, as a rule, four hemmers and a binder. On some of the invoices, to the best of my recollection, the binders were left out.

Adjourned, by consent, to Tuesday, November 15th, 1881, at 11 o'clock a. m.

NEW YORK, *November 15th*, 1881—11 o'clock a. m.

Met pursuant to adjournment.
Present: Counsel as before.

Adjourned by consent to Tuesday, November 22d, 1881, at 11 o'clock a. m.

NEW YORK, *December 12th*, 1881—11 o'clock a. m.

Met pursuant to adjournment.
Present: Counsel as before.

ALLEN SCHENCK's direct examination continued:

Q. 8. What connection, if any, have Johnson, Clark & Co. now, or what connection have they had heretofore during the period of this accounting, with the Gold Medal Sewing Machine Co.?

67 Objected to by defendants' counsel, as the Gold Medal Sewing Machine Co. are not parties to this suit.

Overruled. Exception.

Defendants' counsel instructs the witness not to answer the question.

A. I decline to answer.

Q. 9. Have you furnished them during the period of this accounting or have you paid for Keystone hemmers for them?

A. We furnished them some hemmer sets.

Q. 10. Is there any charge upon your books of any such item or items?

Defendants' counsel objects to this question as inquiring for transactions with a company not a party to this suit, and that complainant is only entitled under this accounting to the number of binders; and also for the reason that the books have been produced for the inspection of complainant's counsel.

Overruled. Exception.

A. We always make it a point to get our pay for what we sell, and a charge was either made direct, or we received our pay in some other way.

Q. 10. Question repeated.

A. The probability is that the hemmer sets sold to the Gold Medal Sewing Machine Company were charged on our day book, if they are not found charged on our sales book.

Q. 11. Please look at the books referred to, and point out any such charge?

A. I can't do that without looking over the books.

and that they have been subject to the examination of complainant's counsel for a long while, and that complainant's counsel has had made by the master, from said books, a complete record
68 of such transactions as related to binders, giving dates of delivery and the names of the parties to whom they were delivered, sent, or charged, and that, if complainant's counsel wishes to examine this witness upon the books, he is ready to answer any question regarding any specific item that he may be inquired of by complainant's counsel.

Q. 12. You state, in answer to Q. 11, that you cannot answer it without looking over the books. Please look over the books and then answer it.

Defendant's counsel repeats the remarks he made at the end of the last question; but, if the master insists upon an answer to this question, defendant's counsel states that, inasmuch as the complainant's counsel occupied about three weeks in going through the books, defendants' counsel asks that this hearing be adjourned for three weeks in order to give this witness an opportunity to answer the question.

Complainant's counsel states that if the defendants had made a return and a sworn statement, as ordered and requested by the master under date of October 8, 1881, he would at this moment be prepared to answer this question.

Defendants' counsel in reply states that the witness has produced a full and complete statement, made and signed and sworn to by him, and that afterwards, at the special request and order of the master, he produced all his books relating to the transactions of this defendant in binders.

A. I will within a week.

Q. 13. Please look at Complainant's Exhibit Invoice H, November 12, 1881, J. A. S., master, which is as follows:

69 "PHILADELPHIA, *May* 26, 1879.

Messrs. Johnson, Clark & Co.

Bought of John G. Rowell, manufacturer and dealer in genuine parts, needles, attachments, oils, novelties, &c.

Office and salesroom No. 1210 Market St.

10 gross Keystone hemmers sent to 30 Union Square, New York.

10¼ gross Keystone hemmers sent to Gold Medal Sewing Machine Co., $183.00.

This bill paid by enclosed check.

Please receipt.

Return by first mail.

JOHNSON, CLARK & CO.,
New York."

Rec'd payment.

J. G. ROWELL,
N.

"June 24, '79.
Accept thanks."

And state exactly what connection the defendants have with the Gold Medal Sewing Machine Company, or the Gold Medal Sewing Machine; that is, whether they are their agents, or whether owned by them, or what?

A. The Gold Medal Sewing Machine Company is a company duly organized under the laws of the State of Massachusetts, and manufacture New Home, American National, and Home Shuttle Sewing Machines. Johnson, Clark & Company are a firm doing business in the city of New York, and buying sewing machines from the Gold Medal Sewing Machine Company.

Q. 14. Question repeated.

Defendants' counsel objects to this question as having been already answered in full. But if, as complainant states, that he wishes to know in answer to the question any private relations existing between the Gold Medal Machine Company and Johnson, Clark & Company, other than already stated in his last answer, that the question is not only improper, but irrelevant; and defendants' counsel instructs the witness not to answer any further than he has done, unless by order of the judge having jurisdiction in this case.

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Overruled. Exception.

A. I decline to answer.

Q. 14. What part of the question do you decline to answer?

A. I decline to answer about the ownership.

Q. 15. Why?

A. Because it is irrelevant to the case.

Q. 16. If the master decides it to be relevant will you answer?

A. Yes. Johnson, Clark & Co. are not the owners of the Gold Medal Sewing Machine Co.

Q. 17. Are they not the owners of all the stock of that company, or a majority of it, and do they not control it?

Defendants' counsel objects to the question for the reason that it is calling for private matters between parties who are not defendants in this suit, and as being improper and irrelevant. And defendants' counsel instructs the witness not to answer unless ordered by a court of competent jurisdiction.

Overruled. Exception.

A. I decline to answer.

Q. 18. Do you decline because Johnson, Clark & Co. defendants, do own and control the Gold Medal Sewing Machine Co.?

The same objection and same instruction to witness not to answer.

Same ruling. Same exceptions.

A. I decline to answer because Johnson, Clark & Co. do not own and control the Gold Medal Sewing Machine Co.

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Q. Do you mean to swear that Johnson, Clark & Co. do not own or control it?

The same objection and same instruction to the witness.

Same ruling and exception.

A. I decline to answer.
Q. Why?

Same objection and same instruction, as the record shows it is enquiring about private matters and has nothing to do with this cause, and for that reason the witness has been instructed to decline to answer.

The same ruling and exception.

A. I decline to answer.
Q. Who is the president and treasurer of the Gold Medal Sewing Machine Co.?

Same objection and instructions. Sustained.

Q. Are any of the defendants president or treasurer of the Gold Medal Sewing Machine Co.?

Same objection and same instruction to witness not to answer. Sustained.

Q. Do the defendants own or control the American National Sewing Machine Company, referred to by you in answer to question 13, as being manufactured by the Gold Medal Sewing Machine Co.?

The same objection, and further for the reason that this suit is not against these defendants as manufacturers or dealers in sewing machines, and the witness is again instructed not to answer.

Adjourned to Monday, December 19th, 1881, at 11 a. m.

Adjourned to Tuesday, January 3, 1882, at 11 o'clock a. m.

72 NEW YORK, *January* 3, 1882—11 o'clock a. m.

Met pursuant to adjournment.

Present: Andrew Comstock, Esq., of counsel for complainant.
Adjourned by written consent to Monday, January 9, 1882, at 11 o'clock a. m.

United States Circuit Court, Southern District of New York.

GEORGE H. WOOSTER *vs.* ANDREW J. CLARK *et al.*

It is hereby consented that the hearing on accounting in this action be adjourned to Monday, January 9, 1882, at 11 o'clock a. m., without prejudice.
New York, January 3, 1882.

ANDREW COMSTOCK,
Complainant's Solicitor.
E. L. SHERMAN,
Per W. H. HICKS,
Defendants' Solicitor.

73 United States Circuit Court.

GEORGE H. WOOSTER *vs.* ANDREW J. CLARK and others.

Having adjourned by consent to January 14, 1882, at 11 a. m.
New York, January 9, 1882.

ANDREW COMSTOCK,
Complatnant's Solicitor.
E. L. SHERMAN,
H.

NEW YORK, *January 17th*, 1882—1 o'clock p. m.

Met pursuant to adjournment.
Present: Counsel for respective parties.
Adjourned to Friday, January 20, 1882, at 1 o'clock p. m.

74 NEW YORK, *January* 20, 1882—1 o'clock p. m.

Met pursuant to adjournment.
Present: Counsel for respective parties.

United States Circuit Court, Southern District of New York. In Equity.

GEORGE H. WOOSTER *vs.* ANDREW J. CLARK *et al.*

In re the accounting before John A. Shields, Esq., master, &c.

It is hereby stipulated and agreed as follows:

Defendants admit that they have purchased and disposed of fifteen thousand binders or improved folding guides (15,000), covered by the decree herein, and in consideration thereof complainant waives all further examination of witnesses as to any profits received by defendants from binders or improved folding guides.

Complainant will rely upon such proof of damages as he is able to show in place of profits.

Defendants are not to be restricted in their proof that complainant has not received any damage, or to any other defense they are entitled to before the master.

ANDREW COMSTOCK,
Complainant's Solicitor.
E. L. SHERMAN,
Defendants' Solicitor.

New York, January 20, 1882.

GEORGE H. WOOSTER, the complainant herein, being called and duly sworn, testified in his own behalf as follows:

75 Q. 1. Are you the complainant in this action?
A. I am.

Q. 2. Have you sought under this patent reissue No. 5180, set forth in the decree in this action, to maintain your monopoly by granting licenses to manufacturers and users of the improved folding guide described in said patent?

Objected to as leading.

A. I have, and granted licenses to a number who have been dealing in the same.

Q. 3. What was the rate of charge for licenses that you have granted, or, in other words, what was your license fee?

Objected to, as if any licenses were granted they should be produced and they will show for themselves what the fee was, if any such fee was paid.

Objection overruled and exception taken.

A. My standard license fee was ten cents (10c.) for each folding guide purchased, made, or sold, or given away for domestic purposes only, meaning for family use, and not in any business or manufacturing establisment.

Q. 4. To whom have you granted such licenses; please name some of them?

A. The Palmer Manufacturing Company, Wilcox & Gibbs Sewing Machine Company, The Grover & Baker Sewing Machine Company, The Victor Sewing Machine Company, and the Domestic Sewing Machine Company.

Q. 5. Were such licenses granted to such companies granting them a privilege to sell for domestic purpose only, binders or improved folding guides covered by the decree in this aetion, and substantially like Exhibit 1, produced by the defendants, and like Exhibit A, before the court in this action on final hearing?

Objected to as secondary evidence.

A. The binders or folding guides licensed were precisely the exhibits referred to in the question.

76 Q. 6. Have you a license or copy of license with you such as is referred to in the Q. 4?

A. I have, and now produce it.

Complainant's counsel offers the same in evidence, and it is marked Complainant's Exhibit. Copy of licenses heretofore referred to by complainant, January 20, 1882. J. A. S., master, etc.

Cross-examination by Mr. SHERMAN:

X Q. 7. When did you first come into possession of the Douglas patent upon which this suit is based?

Objected to as immaterial, and as having been proved and shown before the court at final hearing. Objection overruled, and exception taken.

A. Shortly after December 10th, 1872, as it was reissued on that date to me.

X Q. 8. What was the date of the assignment of Alexander Douglas or the owners of that patent to you?

A. The extended patent was assigned to me shortly after the 5th day of October, 1872.

X Q. 9. At that time of the assignment were there any outstanding licenses of any nature, or any suits pending under the Douglas patent as extended or in its original form and numbered 21,659?

Objected to as immaterial. Objection overruled, and exception taken.

A. I was not the owner of the patent before and can't state what Mr. Douglas had done, fully; but I know he had granted some licenses under the original patent.

X Q. 10. When you purchased this Douglas patent did you receive an assignment of these licenses you have referred to?

A. I did not.

77 X Q. 11. Why not?

A. I did not require any assignment of licenses under a patent that I owned myself. The parties who had the licenses were not within my knowledge, and I had no reason to ascertain who they were.

X Q. 12. At the time of your purchase of this patent did Mr. Douglas or the owners of the patent at that time inform you who had licenses under that patent, the amount to be paid as royalty, or produce you a copy of each and every such license?

Objected to as immaterial and irrelevant, as that patent was surrendered and the present one issued.

A. I don't think they did.

X Q. 13. When you purchased this patent, which you say was shortly after October 5, 1872, who, if any one, held a license under that patent?

Same objection.

A. There were several, I was told, to whom Mr. Douglas had granted licenses under the original patent and during the original term for individual use in manufacturing establishments. I do not remember their names. I was a licensee myself under the original patent. There are some others mentioned in the record filed with the bill in this case; of my own personal knowledge, I know of no others.

X Q. 14. Will you produce a copy of the license granted to you by Alexander Douglas?

Same objection.

A. I cannot; I have not seen it for years.

X Q. 15. Under the license granted you by Alexander Douglas did you ever manufacture any binders on your account?

Same objection.

A. I made what I used in my business.

X Q. 16. Question repeated.

Same objection.

78 A. Same answer. I only made what I used in my business, but none for sale before or after I owned the patent.

X Q. 17. Will you swear that you ever made one binder under that license?

Same objection.

A. Personally, no; but I caused binders to be made by my machinist, which I used in my business.

X Q. 18. How many such binders have you caused to be made; what business were you in, and did you ever sell any such binders under your license?

Same objection, except as to the last clause.

A. I suppose I had made as many as fifty; I was in the ruffling business; I never did sell any under the license.

X Q. 19. With whom were you associated in the ruffling business at that time?

A. With my wife.

X Q. 20. Who manufactured these binders under this license?

Same objection.

A. The machinists who were employed in the factory—Thomas Robjohnsome, Edgar Carey, Wm. Walker, and perhaps one or two others.

X Q. 31. What was the date of this license, as near as you can now remember, and by whom was it granted?

Same objection.

A. About 1862; I think by Douglas and Sherwood.

X Q. 22. What royalty, if any, was you to pay under this license?

Objected to as immaterial and improper, and not having any reference to anything at issue in this matter.

A. If I remember right, I obtained a shop-right for $25.00.

79 X Q. 23. What do you mean by a "shop-right"?

A. The right to make and use what we required in our factory only.

X Q. 24. How long did you continue to manufacture or use binders under that shop-right?

Same objection.

A. We continued to manufacture and use under that license until the expiration of the original patent, when it ceased.

X Q. 25. From whom did you purchase this Douglas patent?

Objected to as immaterial and already proved in the case at final hearing.

A. I purchased the extended patent from Alexander Douglas.

X Q. 26. When you purchased this shop-right, what kind of business were you engaged in?

Obj. as already answered.

A. I have answered that already—in the ruffling business.

X Q. 27. Where?

Obj. to as immaterial.

A. At that time in Thirty-third street, between Ninth and Tenth avenues.

X Q. 28. What connection did the binder have with your business?

Obj. to as immaterial, irrelevant, and improper.

A. We bound rufflers with the binder.

X Q. 29. How long prior to the date of your shop-right under this binder patent did you use binders in your business? I mean binders of any description.

Obj. to as immaterial.

A. We used the Douglas binder about two years before, and no other.

80 X Q. 30. Had you ever seen or known of what is called the Sweet binder at the time you took your shop-right?

Obj. to as immaterial.

A. I don't remember. We had no use for a Sweet binder in our business.

X Q. 31. Then you did know what the Sweet binder was, at that time?

Same objection.

A. I knew at that time of binders which folded in the centre only; but do not think I knew that that was the Sweet invention, at that time.

X Q. 32. Please look at the sample now shown you, and marked Defendants' Exhibit, Sample No. 2, W. C. W., examiner, and state whether or not the edges of the binding thereon shown differ as to their turning in at the edges, if at all; and if yea, wherein, from the edges of binding turned in by the binder of the Douglas patent, under which this suit is brought.

Obj. to; first, that there is no such exhibit in this case; and, second, that the witness is not shown to be an expert in such matters, and that testimony showing the capacity and capability of the Douglas binder is wholly immaterial and improper in the matter of the accounting before the master; and, further, as neither tending to prove or disprove damages.

Adjourned to Monday, January 23d, 1882, at 1 o'clock p. m.

81 NEW YORK, *January* 23, 1882—1 o'clock p. m.

Met pursuant to adjournment.
Present: Counsel for respective parties.

The cross-examination of GEORGE H. WOOSTER, Esq., continued by E. L. SHERMAN, Esq.

Objection sustained and exception taken.

Adjourned to Tuesday, January 24, 1882, at 1 o'clock p. m.

I think the last above-named objection was properly sustained. January 28, 1882.

SAM'L BLATCHFORD,
Circuit Judge.

NEW YORK, *January* 28, 1881.

Present: Counsel for respective parties.

X Q. 33. Please look at defendants' "Exhibit Sweet Binder" now shown you, and state whether or not said binder will perform the same work and accomplish the same result as the binder shown and described in the Douglas patent and suit; and, if so, will you give your reasons therefor.

Objected to, as there is nothing to show that that exhibit is a Sweet Binder; that the witness has not been shown to be an expert in such matters, and that it is immaterial, as any answer to such question neither tends to prove or disprove damages, and also, the question is one properly determined at final hearing.

Defendants' counsel in reply state that the witness has already been examined as an expert in this case, and that it is offered
82 as a binder of prior date to the Douglas binder in mitigation of any damages complainant might show in view of the stipulation entered into by these parties, dated January 20th, 1882, and filed before the master.

Complainant's counsel states that there is nothing to show that the said instrument or exhibit was just made, or made long subsequent to the date of the Douglas patent, and that such exhibit is evidently not a Sweet binder.

Defendants' counsel, in further reply, states that unless he proves the exhibit to be a Sweet binder that it will have no bearing in this case.

Complainant's counsel continues to object as before, and, further, that the question in regard to the Sweet binder, not anticipating the Douglas folding guide, has already been decided by this court on final hearing.

NEW YORK, *January 30th*, 1882—2 o'clock p. m.

Met pursuant to adjournment.

Present: Counsel as before.

Defendants' proposal of testimony:

A stipulation has been filed in this matter before the master, wherein the complainant waives profits, and will rely upon such damages as he can prove, and has offered in support thereof an attempt to prove an established license fee.

In the same stipulation it was agreed that defendants should not be restricted in their proof that complainant has not received any damage, or to any other defense they are entitled to before the master.

Now, defendants propose to cross-examine the present wit-
83 ness, who is the complainant in this case, and who acted as expert in the taking of testimony for final hearing, not only

in regard to the question of an established license fee, but also whether or not the Sweet patent (which is anterior in date to complainant's patent) and work done upon such Sweet binder, a sample of which will be produced and proven, is not substantially the same in result to that obtained by the use of complainant's binder; also regarding any other patent, it being for the purpose of showing before the master that if complainant fails to establish a license fee, within the judgment of the master, that this testimony would go towards diminishing any claim for damages complainant might have, unless otherwise proven.

Defendants also propose to offer proof, on their own part, upon the same points.

New York, January 30, 1882.

E. L. SHERMAN,
Solicitor and of Counsel for Defendants.

Complainant's counsel states that no objection is made to any testimony that is or may be offered touching the question of an established license fee, nor to any other testimony relating to any other defense they are entitled to before the master; but complainant's counsel does object to any testimony intended to indicate that the defendants' binders do not embody the inventions described and claimed in the complainant's patent as incompetent, for the reason that the question of infringement by purchase, use, or sale of such binders was the subject of evidence prior to the entry of the interlocutory decree herein, and the question of infringement of binders of precisely the same construction as those put in evidence prior to the decree, and upon which the decree was made, is no longer open to be contested.

84 That the license fee of complainant is proved for the binder as patented by Douglas as a whole, and if a patent existed before the date of the Douglas patent which would fold in the centre only, as did the Sweet patent, that would certainly not tend mitigation of damages, especially as Douglas expressly disclaims the Sweet patent and all antedating patents for binders, and confines himself to a binder which folds upon two or more lines. Complainant's counsel also objects to any testimony being taken to show that the Sweet, or any other antedating patent set forth in defendants' answer herein, will perform all the functions of the Douglast patent, as that relates to the subject of the validity of the patent, and has been heard and decided upon final hearing, and as no longer open to be contested.

Adjourned to Tuesday, Jan. 31, 1882, at 2 o'clock p. m.

NEW YORK, *January* 31, 1882—2 o'clock p. m.

Met pursuant to adjournment.

Present: Counsel as before.

Defendants' counsel, in reply to complainant's counsel, says: That he does not propose to offer, nor has he proposed to offer, any testimony that defendants' binders do not embody the invention de-

scribed and claimed in complainant's patent, as he understands that that was embraced in the interlocutory decree of the court declaring them to be an infringement, but defendants' counsel does propose to show that the Sweet patent binder would accomplish the same work by substantially the same means as that of com-
85 plainant's patent; further, that Douglas, in his patent, in referring to the Sweet patent and others, whether as a disclaimer or otherwise, spoke of them as binders that folded only on the centre; whereas defendants claim that these binders not only folded upon the centre but also turned in the two edges, as was done by the Douglas binder, and that for this reason defendants claim the admission of the evidence in mitigation of damages, and not in any way to affect the validity of complainant's patent as a whole, but merely to limit any claim for damages under it.

Objections sustained and exception taken

I think the objection was fully sustained.

Jan. 31, 1882.

SAM'L BLATCHFORD,
Circuit Judge.

The master adjourns the further hearing in this case to Friday, February 3, 1882, at 1 o'clock p. m.

NEW YORK, *February* 3*d*, 1882—1 o'clock p. m.

Met pursuant to adjournment.

Present: Counsel for respective parties, also George H. Wooster, Esq., the complainant.

The examination of George H. Wooster, Esq., continued by E. L. SHERMAN, Esq.

X. Q. 34. After the purchase by you of the Douglas patent did you or not bring suits in equity against alleged infringers of the patent?

Objected to as immaterial. Overruled. Exception.

A. I did.

86 X Q. 35. After those suits were brought were any of them settled; and if so, which ones?

A. There were a great number settled, and I think all that I brought within five years after the reissue were settled. The parties against whom suits were brought is a matter of record; I don't remember the names now.

X Q. 36. Give the names of such as you can remember?

A. Kurscheedt, King & Co., G. Sidenburg & Co., H. B. Claflin & Co., A. M. Luchs, D. B. Babcock & Co., E. S. Mills & Co., Lowenstein Bros., G. Simon & Co., Rothschild Bros. & Gutman, Stringfield, Einstein & Co., and a good many others. I can't remember all

X Q. 37. Will you please mention the names of the parties against whom you brought suit or suits, after five years from the date of the reissue, as referred to in your answer to X Q. 35, and with whom you made settlement, if any?

Objected to as not an enquiry which any answer would show a different license fee as has already been proved.

Overruled. Exception.

A. I don't remember the dates and the particular suits that were brought.

X Q. 88. State which of those that you can remember?

A. It is a matter of record in this court, the records of which are in this building, easily attainable, and I prefer that the record should show, speak for themselves, as they are the best evidence; and if I should state from my memory I might be mistaken on account of the great number of suits that have been brought from time to time. I can't remember when these suits were brought.

X Q. 39. Will you give, as near as you can now remember, the names of the parties against whom you have brought suit on
87 this Douglas patent within the past five years in which settlements have been made.

Objected to as immaterial in its present form.

Sustained. Exception.

X Q. 40. Did you or not bring suit under the Douglas patent against the Davis Sewing Machine Company?

Objected to as immaterial.

Overruled. Exception.

A. I brought two suits against the Davis Sewing Machine Company, in conjunction, one under the Pipo patent, and one under the Douglas patent. I settled both cases for the round sum of $2,000.

X Q. 41. What proportion of that $2,000 went to the Douglas patent?

Objected to as immaterial, as any answer will not show or tend to shaw any license fee.

Overruled. Exception.

A. There was no particular sum mentioned or agreed upon for either patent, but a lump sum was paid in settlement of both. The statements of the company, both concerning the number of rufflers and binders that they had sold, and taking into consideration the question of their responsibility as stated by them, caused me to consider this a very excellent settlement. They led me to believe it was that or nothing, as they told me they had mortgages on their property for nearly half a million of dollars.

X Q. 42. Do you mean that at the time of the settlement with the Davis Company you considered them pecuniarily irresponsible?

Objected to as fully answered in previous answers; and also further objected to as immaterial.

Overruled. Exception.

A. From representations made to me I was led to understand that it was matter of doubt.

88 X Q. 43. (Question repeated.)

The same objection.

A. I was told that the company had made no money; that they were largely involved by mortgages, and the question was under discussion as to whether they should continue of disband. The inference I drew was that they need not pay their debts unless they wanted to.

X Q. 44. My question is, did you consider them irresponsible at the time of the settlement—not what you heard or what was told you?

The same objection. Overruled. Exception.

A. I have said all I wish to say on the subject.

X Q. 45. Then you refuse to answer, do you?

A. I think I have fully answered the question and given the reasons for the inference that I drew, and do not wish to make a statement which might, perhaps, be unjust to persons who, I think, dealt justly with me.

X Q. 46. Then, if I understand you, your "inference" is that you did not consider them responsible at that time, is that so?

Objected to as already answered. He stated what his inference was to a certain extent. He stated what representations were made to him, and stated that was the reason why he accepted that sum; and further objected to as calling for an opinion or belief which is not evidence.

Sustained. Exception.

X Q. 47. When was this settlement made?

A. I think in the year 1880, perhaps in 1881; I am not positive which.

X Q. 48. Were both suits settled at the same time, and one receipt given for them?

A. Yes, sir; for both branches of the question.

X Q. 49. Was there, or not, anything said as to what proportion should go to the Douglas patent?

89 A. Nothing whatever; a lump sum was paid in settlement of the litigation.

X Q. 50. Was there any statement made to you by anybody as to the number of binders that had been sold by the Davis Company for which you held them responsible?

A. Yes. The first offer they made was $500 to settle the litigation under both patents, and their statement was that that was more than the license fee would amount to, taking into consideration the number of both kinds of attachments sold.

X Q. 51. Did you at that time, or at any other time, claim any number of binders as having been sold by the Davis Company; and, if so, how many?

A. I don't think I did. I don't think I could, for I had no data whatever to go by.

X Q. 52. By whom was this offer of $500 made?

A. I don't remember now. I think either by Mr. Gordon or Mr. Bagley or Mr. Johnson or Mr. Dane. The thing has passed out of my recollection as to which.

X Q. 53. With whom was the final settlement made?

A. John Dane, Jr., Esq.

X Q. 54. Did the $2,000 which you have mentioned include costs?

A. It included a settlement of the whole litigation, as I have before said. The costs were inconsiderable, but it included everything.

X Q. 55. Did you or not bring suit under the Douglas patent against the Singer Manufacturing Company?

A. I did.

X Q. 56. How was that suit settled, if at all, and when?

A. It was settled by the payment of $25,000 on the 8th of July, 1880. The money was all paid.

X Q. 57. During what years did you claim that the Singer Manufacturing Company had used the Douglas Patent or invention, for which they paid you $25,000 in settlement of the suit?

90 A. I didn't make any claim as to any number of years.

X Q. 58. When did you claim that their infringement began?

A. I didn't make any claim of that kind.

X Q. 59. What was your own opinion about it?

Objected to; opinions are not evidence. Sustained. Exception.

X Q. 60. Was there any testimony taken in the Singer suit under the Douglas patent?

Objected to as immaterial. Sustained. Exception.

X Q. 61. Did you or not, at any time, claim any special number of binders that the Singer Manufacturing Company had made or sold?

A. I don't think I did.

X Q. 62. Did you not make claim to some one of the officers of the Singer Manufacturing Company that binders embracing the Douglas invention had been sold or given away with nearly every family sewing machine sold by them during the time you owned the Douglas patent?

A. Certainly not. I did not hear of their dealing in these binders until some years after I had owned the Douglas patent.

X Q. 63. Did you ever make any such claim for any period of time?

A. I may have, in conversations concerning settlements, said that for two or three years before the suit was brought that I had understood they had disposed of the binder with most of the family machines; but I can't state positively as to what was said, as there was a great deal of talk on both sides before settlement was accomplished.

X Q. 64. With whom was this settlement made?

A. With Mr. McKenzie, vice-president of the Singer Manufacturing Co., finally.

X Q. 65. Were you paid the $25,000 at one time in cash?

Objected to as immaterial. Sustained. Exception.

91 X Q. 66. Did you or not bring suit against the Domestic Sewing Machine Co. under this Douglas patent?

Objected to as immaterial.

A. I did.

X Q. 67. When was that suit settled, if at all, and for how much?

A. I don't remember the year; but it was settled upon a statement of the number of binders disposed of by them at 10 cents each.

X Q. 68. When was this settlement made and by whom, as near as you can now recollect?

A. I don't remember the year, as I have said, and I don't remember whether the settlement was made with Mr. Dane or Mr. Gordon.

X Q. 69. What amount of money was paid in settlement of this suit?

A. I think it was for 6,000 or 7,000 binders, and the amount paid was $600 or $700; I don't remember the amount exactly.

X Q. 70. Was the "statement" of the number of binders made or sold by the Domestic Co. in writing, and, if yea, by whom was it signed, if you remember?

A. I think it was in writing, but I don't remember by whom it was signed for the Domestic Sewing Machine Co.

X Q. 71. Was the settlement with the Domestic Sewing Machine Co. made before or after the expiration of the reissued patent in suit?

A. Before.

X Q. 72. About how long before?

A. Perhaps a year or two.

X Q. 73. Did you or not make settlement with the Wheeler & Wilson Manufacturing Co. for infringement of this Douglas patent, and, if yea, when?

A. I did not.

X Q. 74. Did you or not make any demand against said Wheeler & Wilson M'f'g Co. for an alleged infringement of this Donglas patent?

A. I did not.

92 X Q. 75. Did you or not bring suit under this Douglas patent against the Howe Sewing Machine Co.

A. I did.

X Q. 75½. Was that suit settled; and if so, when?

A. It was about a year and a half, or two years ago.

X Q. 76. Was it before or after the expiration of the reissue in suit?

A. It was about the expiration of the patent, and I think shortly after.

X Q. 77. With whom was that settlement made?

A. The Howe Sewing Machine Co. by Mr. Avery, the treasurer of the company.

X Q. 78. How much was paid in settlement of that suit?

A. In the neighborhood of $1,200.

X Q. 79. How many binders did that settlement include?

A. Mr. Avery said they had not sold 10,000.

X Q. 80. Did he make a statement in writing?

A. I don't remember.

X Q. 81. Did you or not bring suit against the Weed Sewing Machine Co. under this Douglas patent?

A. I don't think I did.

X Q. 82. Did you or not bring suit against H. B. Claflin & Co. under this Douglas patent in suit?

A. I have already answered that question; I did.

X Q. 83. Will you please point out on the record where you answered it.

A. In answer to X Q. 36.

X Q. 84. How much was paid by Claflin & Co. in settlement?

A. $250.

X Q. 85. Was any statement of the number of binders made or sold by them?

A. I believe they stated they had made and used ten.

X Q. 86. By whom was that statement made?

A. Mr. William Ferguson, the superintendent of their manufacturing department.

93 X Q. 87. When was this settlement made?

A. I think in 1878, with S. J. Gordon.

X Q. 88. When did you make settlement with Kurscheedt, King & Co. under the Douglas patent?

A. I think in 1874 or '5.

X Q. 89. With whom was it made?

A. Alexander Kurscheedt.

X Q. 90. How much was paid in settlement?

A. $1,000.

X Q. 91. What was their business?

A. Manufacturers of rufflings.

X Q. 92. Did they make a statement of how many binders they had made or sold?

A. They stated they wished to make and use about forty.

X Q. 93. What kind of binders did they make and use?

A. Douglas binders.

X Q. 94. Do you mean a binder exactly like that shown in the Douglas patent?

A. I mean they had a right to use any form they saw fit. I never saw the binders which they used.

X Q. 95. When was the settlement made with G. Sidenberg & Co.?

A. About 1878.

X Q. 96. With whom was that settlement made?

A. S. J. Gordon.

X Q. 97. Do you mean S. J. Gordon, as counsel for G. Sidenberg & Co.?

A. I do.

X Q. 98. How much was paid in settlement?

A. I think $500 was the sum agreed upon.

X Q. 99. Was there a statement in writing, or otherwise, as to the number of binders they had made or sold?

A. This settlement was a little peculiar. They claimed to have had a license from the owner of the original patent for forty binders, and in a suit Judge Shipman decided that they had a right to use those during the term of the extended patent.

94 The money that Sidenberg & Co. paid me was for what additional binders they wished to use to the number of about twenty.

X Q. 100. When was the settlement made with E. M. Luck?

A. About the same time as with Claflin and Sidenberg.

X Q. 101. With whom was it made?

A. With him or with his attorney.

X Q. 102. Which?

A. I don't remember.

X Q. 103. Who was his attorney?

A. S. J. Gordon.

X Q. 104. How much was paid in settlement?

A. $250.

X Q. 105. Was there a statement made, or otherwise, as to the number of binders they had made or sold?

A. There was not.

X Q. 106. When was the settlement made with D. B. Babcock & Co.?

A. About two months after the settlement with Claflin.

X Q. 107. With whom was that settlement made?

A. With Mr. Babcock.

X Q. 108. How much was paid in settlement?

A. $1,250.

X Q. 109. Was there any statement made in writing, or otherwise, as to how many binders they had made or sold?

A. They were not makers and sellers; they were makers or users.

X Q. 110. Was there any statement made by them as to how many binders they had made and used?

A. I think their license was for ten.

X Q. 111. When was the settlement made with E. I. Mills & Co.?

A. E. I. Mills & Co. are also makers and users; the settlement was made for them by Mr. Gordon, their attorney, for $250,

95 about the same time as the Claflin settlement, and it was for the use of from five to ten.

X Q. 112. With whom was that settlement made?

Objected to as already answered.

A. I have already stated.

X Q. 113. How much was paid in settlement of that suit?

Objected to as already answered.

A. I have already stated that.

X Q. 114. Was there any statement in writing, or otherwise, as to the number of binders they had made or sold?

A. I have already stated Messrs. Mills were makers and users; more particularly users, and had no right to sell; and this latter statement applies equally to those inquired of since the question relating to Claflin & Co. was answered.

X Q. 115. When was the settlement made with Lowenstein & Brothers; with whom was it made; how much was paid in settlement, and was there not a statement made in writing, or otherwise, regarding the number of binders they had made or sold?

A. It was made about the same time with the Claflin settlement with Mr. Lowenstein; $250 was paid. They were users exclusively, and the settlement was made upon an agreement to settle with small users using from five to ten for $250 each, and with large users using from ten to twenty each for $500. These settlements, commencing with Claflin, were made to shorten or do away with litigation; the amounts were paid as lump sums, the parties being members of a combination formed for the express purpose of trying to defeat my claims under this patent. All the parties had been enjoined by this court for a long time previous to the settlements.

96 All of the last part of that answer commencing with the word "agreement," objected to, to the close of the answer, objected to as irresponsive, and defendants' counsel requests that it be stricken out. Overruled. Exception.

Adjourned to Tuesday, February 7th, 1882, at 11 a. m.

NEW YORK, *Feb. 7th*, 1882, at 11 a. m.

Met pursuant to adjournment.

Present: Counsel for respective parties.

The cross-examination of GEORGE H. WOOSTER continued by E. L. SHERMAN, Esq.

Adjourned to Friday, February 10th, 1882, at 11 a. m.

NEW YORK, *February 10th*, 1882, at 11 o'clock a. m.

Met pursuant to adjournment.

Present: A. Comstock, Esq., of counsel for complainant, and E. L. Sherman, Esq., of counsel for defendants.

The cross-examination of GEORGE H. WOOSTER, Esq., continued by E. L. Sherman, Esq.:

X Q. 116. You have stated that you brought suit against the Davis Sewing Machine Co. under the Douglas patent; when was this suit brought and where?

A. I don't remember when, but in this district; about four years ago, I think.

X Q. 117. You have stated that you brought suit against
97 the Domestic Sewing Machine Co. under the Douglas patent; when was this suit brought and where?

Objected to as immaterial.

Defendants' counsel offers the evidence for the purpose of testing the credibility of this witness. Overruled. Exception.

A. I think about the year 1876 in this district.

X Q. 118. Do you know a man by the name of Samuel L. Barney; and, if yea, what business was he in in 1880, if you know?

Objected to as immaterial and irrelevant, neither tending to prove or disprove any matter at issue herein.

Defendants' counsel states the question is put for the same reason as the previous question. Overruled. Exception.

A. I know Mr. Barney very well; I do not know what business he was in in 1880, personally, but was told that he was connected with the manufacture of the Toof ruffler in New Haven.

X Q. 119. In 1880, or prior to that, was there not in this city an association called the Rufflers' Association or combination?

A. I never heard of any association or combination of that name.

X Q. 120. Was there not any association formed for the purpose of combining together to defeat your patent on binders and rufflers?

Objected to as immaterial. Overruled. Exception.

A. On the binders only, as I understood it, called the American Union Protective Association.

X Q. 121. Did you not obtain from the records of that association, or from its secretary, a report of the number of binders that had been sold or used by the Davis Co. during one year?

A. I did not know that the association had any records; I
98 did not belong to it; I didn't know that it had any secretary; did not know who he was, and did not obtain any information of the kind.

X Q. 122. When you made your settlement with the Davis Co. did you not state to the party with whom you made such settlement that you knew of 40,000 binders having been sold and used by the Davis Sewing Machine Co. in one year?

A. I did not; nor anything like it.

X Q. 123. Have you not sworn in this case upon the testimony for final hearing as to different grades of licenses?

A. I don't remember. Possibly I did. I have different grades of license fees.

X Q. 124. Will you please mention them?

A. For manufacturers' use my license fee was $50 for the use of one binder for one year, $100 for the use of three for one year, $150 for five, and $250 for ten, payable in advance. And for family use only, to be marked and stamped in that way with dates of patent, as provided for in my license, for each one purchased, made, or sold, or given away by the party taking the license or its agents in the United States, the sum of ten cents for each binder.

X Q. 125. Under which class did you consider the parties you have referred to in your answer to X Q. 36?

A. In the class first mentioned in the last answer.

X Q. 126. In the testimony which you gave for the final hearing in this cause, did you not say that your fee for binders used in manufacturing business or disposed of for that purpose was $50 per year for each one.

A. Possibly that is true, as just stated, and for more than one the commutation rates just stated.

X Q. 127. The question is did you not swear it was $50 for each binder per year?

A. Yes; and I will add further in explanation that I have stated that my claim from these defendants was ten cents for each
99 one sold for family use and $50 for each one per year sold to be used for manufacturing purposes

X Q. 128. By whom was complainant's Exhibit A made, if you know?

A. I do not know.

X Q. 129. Was it not known as the Goodrich binder?

A. Not particularly. The Goodrich binder, the Keystone binder, the binder made and sold with the diamond sets, are very much alike.

X Q. 130. Do you not know that binders like complainant's Exhibit A have been manufactured by Mr. Goodrich and by Messrs. Powell & Company?

A. I may say I know it. I have been so informed and believe it.

X Q. 131. Have you ever brought suit against Goodrich or against Powell & Company for infringement of the Douglas patent?

A. I have brought suit against Powell, although we have never been able to serve the papers, although we have often tried.

X Q. 132. Where was these papers filed?

A. I don't know that the papers were filed. I know that I swore to the affidavit and bill. I have never sued Goodrich, although I have written him many letters concerning a negotiation of settlement.

X Q. 133. Do you know where Goodrich and Powell & Company reside or have their place of business? If so, please state.

A. I understand Goodrich does business in Chicago and Powell in Philadelphia.

X Q. 134. In what circuit or district were the papers for Powell & Company made out for?

A. Southern district of New York.

GEO. H. WOOSTER.

Sworn before me.

JOHN A. SHIELDS,
Master, &c.

Adjourned to Wednesday, February 15, 1882, at 11 a. m.

100 WEDNESDAY, *February* 15, 1882.

Present: Counsel for the respective parties.

Complainant rests.

Adjourned to February 17, 1882, at 11 o'clock a. m.

NEW YORK, *February* 17*th*, 1882—11 o'clock a. m.

Met pursuant to adjournment.

Present: George H. Wooster, Esq., the complainant in person, and E. L. SHERMAN, Esq., of counsel for defendants.

Adjourned by consent to Friday, March 10th, 1882, at 11 o'clock a. m.

NEW YORK, *March* 10th, 1882—11 o'clock a. m.

Met pursuant to adjournment.

Present: Counsel for respective parties.

Abjourned by consent to Thursday, March 16, 1882, at 11 a. m.

101 *Complainant's Exhibit Copy of Licenses.*

Whereas, certain letters patent of the United States, bearing date the 5th day of October, 1858, were granted to Alexander Douglas, of the city of New York, for an improved folding guide for sewing machines, &c., and whereas George H. Wooster, of said city, has, by assignment from said Alexander Douglas, become sole owner of said letters patent, and whereas said letters patent have been extended for seven years from October 5th, 1872, and reissued December 10, 1872, No. 5180; and whereas the Palmer Manufacturing Company, who are a corporation organized and doing business under the laws of State of New York, party of the second part, is desirous of obtaining a license to manufacture, sell, and use said folding guides for itself and its customers:

Now this indenture witnesseth, that the said George H. Wooster, party of the first part, for and in consideration, and in case of the due and faithful keeping and performing of each and all of the conditions, agreements, and admissions hereinafter contained to be kept and performed by the said party of the second part, has given and granted, and by these presents does give and grant unto the said party of the second part, and to such of its customers whose purchases shall be returned and accounted for to the party of the first part as hereinafter stated, license to use such folding guides as are hereinafter mentioned, for family use only, and not in any business or manufacturing establishment without the written permission of said George H. Wooster, his executors, administrators, or assigns:

First. That is to say, the said party of the second part for itself and its successors ——— ———, covenants and agrees to
102 pay to the said George H. Wooster as a patent fee or royalty the sum of ten cents on each and every one of the said folding guides purchased, made, or sold, or given away in the United States by it or any of its agents or employees.

Second. The said party of the second party agrees to keep full and correct books of account of all such folding guides purchased, made, and sold or given away by it or any of its agents or employees which shall be open to all reasonable inspection of the party of the first part, his agents or assignees, and on the first day of each and every month hereafter to render to the party of the first part, under the oath of one of its officers, and of such employee who has the best means of knowing the truth thereof, a full and correct statement of each and all of the said folding guides purchased, made, or sold or given away in the United States by it—and them not included in the last preceding statements, specifying particularly the names and places of business of each purchaser; and forthwith to pay to the party of the first part, his executors, administrators, or assigns, the sum of ten cents each upon and for each and all of the said folding-guides so sold as aforesaid.

Third. At the end of each and every year from the date hereof the said party of the first part shall have the right, if he is so advised, to change the amount of license fee or royalty to be paid by all licensees for each folding guide, and either to increase or diminish the same by giving written notice of such intention at least twenty days before the 5th day of October in each year, and if such notice shall be given then this license shall be from and after such date, and be treated as if the amount of license fee specified in said notice was specified in this license instead of the sum of ten
103 cents. In all other respects this license shall—unchanged; but said party of the second part may at any time cease the sale of said folding guides.

Fourth. The said party of the second part shall deposit with the party of the first part a specimen of the particular form and style of each and every folding guide it desires to have licensed under this license.

Each of such specimen guides shall be marked with the initials of the respective parties hereto, and shall be separately and distinctly indicated by appropriate names on the back of each copy of this license, and no guide shall be hereby licensed unless an accurate sample or specimen of the same be so marked, deposited, and referred to.

The said party of the second part further covenants and agrees that during the term of said letters patent it will not purchase, make, use, or sell any folding guide or guides containing any of the inventions described and claimed in said letters patent, without the written license of said party of the first part.

The said party of the second part further covenants and agrees that —— will not contest in law or equity, nor aid or assent or advise others to contest in law or equity the validity of the above-described patent or any reissue thereof, and that will never refuse to pay the party of the first part the licenee fee as set forth, if said patent or reissue should be litigated or contested at law or equity by other parties.

If, however, by any decree of the court of final resort said letters patent shall, on due proceedings had, be adjudged and decreed to be

invalid, then and thereafter the obligation to pay license fees thereafter accruing shall cease and determine.

Sixth. The said party of the second part further covenants and agrees to mark, stamp, or cast indelibly on each and every
104 folding guide, hundred made, used, or sold or given away, the words "Patented October 5th. 1868. Reissued December 10th, 1872. Licensed for family use only."

Upon the failure of the party of the second part at any time faithfully to carry out and perform any or either of the said above mentioned conditions and provisions, the said party of the first part, his executors, administrators, or assigns may revoke and annul this license, in which case this license and all rights and privileges of the party of the second part herein shall forever cease and determine.

It is further distinctly understood and agreed that the party of the second part has no right or title of any kind in any folding guide itself, which is hereby licensed, such guides are not lawfully made, but their sale and use is permitted solely in accordance with the provisions of this license and not otherwise, and any other sale or use than such as are expressly provided for herein is unlawful and an infringement of said letters patent.

In witness whereof the parties above named have hereunto set their hands and seals this fifth day of October, 1872.

[L. S.] (Signed) ——— ———.

(Endorsed :) Dated ——, 1873. George H. Wooster to The Palmer Manufacturing Company. License under patent for folding guides, dated Oct. 5, 1858; ext'd Sept. 23, 1872; reissued Dec. 10, 1872.

105 At a stated term of the circuit court of the United States, held in and for the southern district of New York on November 8th, 1882.

Present: Hon. W. J. Wallace, circuit judge.

GEORGE H. WOOSTER *vs.* ANDREW J. CLARK *et al.*

On application of the complainant's counsel it is ordered, after hearing counsel for the respective parties, that this cause be referred back to the master appointed herein by the interlocutory decree, for the purpose of producing before said master any further evidence desired to be produced by either party upon the question of the grant by the complainant of an established license fees at the rate of ten cents per binder.

106 And it is further ordered that the complainant pay to the defendants' counsel his disbursements for printer's fees incurred by him by reason of the exceptions filed herein.

And it is further ordered the master take such evidence & report thereon, & on the evidence heretofore taken before him, with all convenient speed.

WM. J. WALLACE.

E. L. SHERMAN,
Sol. for Def'ts.

Endorsed: U. S. C. C., S. D. N. Y. Wooster *vs.* Clark. Order referring cause back to master, &c. Filed in court Nov. 8, 1882. T.

107 At a stated term of the circuit court of the United States for the southern district of New York, held in the United court-rooms, in the city of New York, on the — day of March, 1883.

Present: Hon. William J. Wallace, circuit judge.

GEORGE H. WOOSTER
ag'st
ANDREW J. CLARK, JOHN W. WHEELER, WILLIAM T. ELLIOTT, ABIJAH FRENCH, & ALLEN SCHENCK.

On reading and filing the petition of George H. Wooster, the above-named complainant, and the consent of E. L. Sherman, thereto annexed:

108 It is ordered, adjudged, and decreed that the said action be revived against Abigail B. Clark, executrix, and Rufus D. Chase, executor of Andrew J. Clark, deceased, and that they be substituted as defendants herein for and in the place of said Andrew J. Clark, deceased, and that this cause may proceed against said executrix, executor, and the other defendants with the same effect as to all future proceedings as if said Clark were now living and continued a defendant herein.

ADDISON BROWN.

Endorsed: U. S. circuit court. George H. Wooster *vs.* Andrew J. Clark. Order reviving action, &c. Andrew Comstock, compl't's sol'r, 237 Broadway. U. S. circuit court. Filed Mar. 8, 1883. Timothy Griffith, clerk.

109 U. S. Circuit Court, Southern District of New York.

GEORGE H. WOOSTER
ag'st
ANDREW J. CLARK, JOHN W. WHEELER, WILLIAM T. ELLIOTT, ABIJAH FRENCH, and ALLEN SCHENCK.

I do hereby state that I am authorized to appear and represent Abbie B. Clark, executrix, and Rufus D. Chase, executor of Andrew J. Clark, deceased, one of the above-named defendants, and hereby consent that the annexed petition of the complainants be granted, and an order entered as therein prayed for in this action.

Dated New York, March 3, 1883.

E. L. SHERMAN,
Sol'r for Executor and Executrix & other Defendants.

110 U. S. Circuit Court, Southern District of New York.

GEORGE H. WOOSTER
ag'st
ANDREW J. CLARK, JOHN W. WHEELER, WILLIAM T. ELLIOTT ABIJAH FRENCH, & ALLEN SCHENCK.

To the Hon. William J. Wallace, circuit judge of the United States for the southern district of New York:

Your petitioner, George H. Wooster, the above complainant, now

comes and shows: That Andrew J. Clark, one of the defendants above named, departed this life on or about the 2nd day of November, 1882, leaving an estate, real and personal, and his last will and testament, in and by which he appointed Abbie B. Clark executrix and Rufus D. Chase executor. That said will was proved, and said executrix and executor duly qualified on or about the 20th
111 day of November, 1882, and, as your petitioner is informed and believes, are now in possession of the personal estate of said Andrew J. Clark, deceased, and are liable to the extent of the estate of said Clark in their hands for the claims of the complainant herein, and your petitioner prays that the said executrix and executor aforesaid of said Clark may be substituted as defendants herein for and in the place of said Andrew J. Clark, deceased, and that this cause may be revived and proceed against said executrix and executor and the other defendants with the same effect as to all future proceedings as if said Clark were now living and continued a defendant herein; and your petitioner prays an order to that effect.

GEO. H. WOOSTER.

SOUTHERN DISTRICT OF NEW YORK, } *ss:*
City and County of New York, }

112 George H. Wooster, the above-named petitioner, being duly sworn, says he has read the foregoing petition; that the same is true of his own knowledge, except as to the matters therein stated to be alleged upon information and belief, and as to those matters he believes it to be true.

GEO. H. WOOSTER.

Sworn to before me, this 2nd day of March, 1883.

CHARLES A. RUNK,
Notary Public, N. Y. Co.

Endorsed: U. S. circuit court. George H. Wooster *vs.* Andrew J. Clark *et al.* Petition, consent, and order. Andrew Comstock, comp't's sol'r, 237 Broadway. U. S. circuit court. Filed Mar. 8, 1883. Timothy Griffith, clerk.

113 United States Circuit Court, Southern District of New York.
In Equity.

GEORGE H. WOOSTER *ag'st* ALLEN SCHENCK *et al.*

Additional testimony taken before John A. Shields, Esq., master, on and pursuant to order of court, dated Nov. 8th, 1882.

NEW YORK, *April 10th*, 1883.

Present: Andrew Comstock, Esq., sol'r for complainant; E. L. Sherman, Esq., sol'r for defendant-.

GEORGE H. WOOSTER, a witness produced on the part of the complainant, being duly sworn, deposes and says:

Q. In your previous testimony given on this accounting, and in answer to question 4 in your previous testimony, you stated you

granted licenses under the patent in controversy in this [case] to the Palmer M'f'g Co., Wilcox & Gibbs Sewing Machine Co., The Grover and Baker Sewing Machine Co., The Victor Sewing Machine Co., and Domestic Sewing Machine. Have you those licenses, or any of them, with you; and, if so, please produce them?

Objected to as incompetent, irrelevant, and improper.

114 I have the license or release to the Domestic Sewing Machine Co., which I now produce. I also have the licenses of the Victor Sewing Machine Co. and the Wilcox & Gibbs Sewing Machine Co. The licenses granted to the Grover and Baker Sewing Machine Co. and the Palmer M'f'g Co. I cannot now produce; I think they have been used as exhibits in some other suit, but they are exactly the same in form and substance as these which I now produce granted to the Victor & Willcox & Gibbs Sewing Machine Co.

Complainant offers in evidence the original licenses to the Willcox & Gibbs & Victor Sewing Machine Co's, and also the release to the Domestic Sewing Machine Co.

Defendants counsel objects to offers of said — as not having been sufficiently and legally proved so as to be offered as exhibits in this case, and, therefore, protests against the same being offered in evidence, but will cross-examine the witness upon the same *de bene esse*, reserving all his rights under this examination to which he is entitled.

Q. Are the licenses which you have now produced the original licenses executed by the said companies?

A. They are.

Complainant's counsel asks now that the licenses be marked Exhibits Willcox & Gibbs & Victor Sewing Machine Co. Original License. J. A. S., master, April 10, 1883.

115 Q. Is the release produced a copy of the release given to the Domestic Sewing Machine Co. and executed by them?

Objected to as improper.

A. It is.

Q. Have you the original?

A. I have, but it has been mislaid; but this is a true copy of the original.

Q. Have you looked for and tried to find the original; and, if so, with what success.

A. I have, without success.

Copy of the release to Domestic Sewing Machine Co. offered in evidence marked Exhibit Domestic Sewing Machine Co. release. J. A. S., master, April 10, 1883.

Q. These licenses are lithograph copies and are the same in general form, are they not, and contain, as far as lithograph work or letters and figures are concerned, exactly the same words, do they not?

Objected to as indefinite.

A. They are.

Q. Were the licenses you granted to the Palmer M'f'g Co. and the Grover and Baker Sewing Machine Co. each one lithographic copies like these?

Objected to as indefinite and immaterial.

A. Yes.

Q. Was the rate of license fee charged the same?

A. Yes.

Q. Did the said companies pay said license fee as stipulated for in said license.

116 Objected to as incompetent and not properly shown to be evidence.

A. They did.

It is consented that copies of exhibits, licenses to Willcox & Gibbs Sewing Machine Co., and the exhibit license to Victor Sewing Machine Co. be substituted in place of said originals. The said originals to be produced in court if so required.

Direct examination of this witness closed.

Cross-examination by E. L. SHERMAN:

Q. During the periods covered by the licenses which you have produced, to wit, between 1872 and 1879 did you keep books of account with these licensees showing the amount of money paid under these licenses, and also returns signed in accordance with the licenses as referred to by you in your direct examination?

A. I did not keep books of account showing what is asked for in the question, but I did keep returns made by the licensees which were accompanied by checks; the checks only showing in my deposit account.

Q. You have referred in your examination to what you call a release of the Domestic S. M. Co., produced in this case as an exhibit, have you anything whereby you are enabled to state the exact amount paid to you by said Domestic S. M. Co. other than appears from the document, a copy of which has been produced by you as an exhibit in this case.

A. My deposit account will probably show that.

Q. Have you any other account that will show the amount
117 or number of folding guides settled for by the Domestic S. M. Co. at the time of this alleged settlement, April 28th, 1875?

A. Probably have their sworn statement rendered at the time.

Q. Can you and will you produce it?

A. I will if I can.

Q. How long a time do you require?

A. If I could not find it in an hour or two I would be unable to state how long, as my papers are somewhat voluminous.

Q. Then if you are not able to produce that statement at the next adjournment do you think you will be unable to find it, is that so?

A. I think I should be unwilling to spend much time in looking for it unless its production was deemed absolutely necessary.

Q. In answer to 26 you have stated that the licenses produced are the same in general form and contain the same lithograph work and letters and figures as the licenses lithographed or issued by you under this patent, is that so?

A. No; I said the licenses granted to the Grover & Baker S. M. Co. and the Palmer M'f'g Co. were the same as these license exhibits.

Q. Then, if I understand you, the lithograph form of license granted to the Grover & Baker S. M. Co. and the Palmer M'f'g Co. and the Willcox & Gibbs S. M. Co. and the Victor S. M. Co. are all made from the same lithographic or stencil plate or some
118 copying plate, and that in each and all of said licenses there appear the same erasures, alterations, and interlineations as appear in complainant's exhibit license granted by Wooster to the Palmer M'f'g Co., copy of which has been produced in this case and marked Comp't's Ex. Copy of Licenses, heretofore referred to by complainant in this hearing before the master?

A. Yes; unless there has been some clerical error made.

Q. How could there be a clerical error made from a copy in the form that you have described?

A. There could be no clerical error in the lithographic copy, but there could be in the filling in and in the interlineations inquired about.

Q. In compl'ts Ex. License to Victor Sewing Machine Co., dated Dec'r 10th, 1872, I notice that the same is signed in acknowledgment, in performance of the same by you July 1st, 1875; will you please look at the same and state whether or not it is your signature.

A. The signature on this document referred to is not my signature, but it is signed by my attorney, Mr. Frederic H. Betts.

Q. How does it happen that so much time elapsed as appears between the date of the license, Dec. 10, 1872, and the acknowledgment of performance in July 1st, 1875, nearly three years after the grant of the original license; and, in the same connection, will you please state whether or not the original license to the Victor Sewing Machine Co. was signed by you or by attorney; and, if so, by whom?

A. The license was antedated to the commencement of the term of the patent, the company having infringed up to the date
119 of settlement, July 1st, 1875, when they made a return of the number of guides made, sold, or given away up to that time for which they paid the regular license fee of 10 cents for each binder or folding guide; said return is attached to the exhibit license. I do not remember whether I signed the other original license or whether my attorney did. The licenses were executed in duplicate (two originals), of which this is one.

Q. In Dec., 1872, who was your attorney?

Objected to as immaterial.

A. F. H. Betts, Esq.

Q. The exhibit about which I have been enquiring shows that

the same is signed as follows: Geo. H. Wooster, by W. & B.; who are the W. & B.?

A. I presume Whitney & Betts.

Q. Why is not the acknowledgment of July 1st, 1875, signed in the same way?

A. I don't know.

Q. Will your own books of accounts show that you received on or about July 8th, 1875, or at any time thereafter, a return from the Victor S. M. Co. of 1702 guides, and received therefor payment at the rate of the license fee claimed by you under the Victor license exhibit?

A. The return was attached to the license, as before stated, from which the counsel has just been reading; either my deposit account or that of my attorney will show the receipt of the amount inquired about; the money was paid by the Victor S. M. Co.

Q. Attached to compl'ts Ex. License to Victor S. M. Co. I notice a letter, under date of July 8th, 1875, addressed to Cephas
120 Brainerd, Esq., 48 Pine St., New York; will you please state what connection this man Brainard had with the license granted the Victor S. M. Co.?

A. I think he was the attorney of the company referred to.

Adjourned to Saturday, April 14, 1883, at 11 o'clock a. m.

NEW YORK, *April 14th*, 1883—11 o'clock a. m.

Met pursuant to adjournment.

Present: Counsel for respective parties.

The cross-examination of GEORGE H. WOOSTER, Esq., continued by E. L. SHERMAN, Esq.:

Q. Is the form of license granted the Victor Sewing Machine Co., and Wilcox & Gibbs Sewing Machihe Co., and the Palmer Manufacturing Company the same in each case?

A. Yes; together with that granted to the Grover & Baker Sewing Machine Co.

Q. Under those licenses were returns in writing made to you of the number and description of binders manufactured or sold, or used by the licensees?

A. Yes.

Q. And you still have those returns on hand, do you?

A. Yes; most of them, if not all.

Adjourned till 1 o'clock p. m. to-day.

1 o'clock p. m. after adjourned.

Present: Parties as before.

121 Redirect:

Q. You were asked in Q. 27 if, under those licenses, returns in writing were made to you of the number and description of binders. Have you with you, and, if so, will you produce any of such returns?

A. I have some and will produce them, but have only found a

few, as the hour since the adjournment has not been sufficient for me to look over more than a quarter of my papers. I now produce a return by the Victor Sewing Machine Co., covering the time from January 1st, 1878, to January 1st, 1879.

Said return is offered in evidence and marked Victor License Return A. J. A. S., master. April 14, 1883

I also produce a return made by the Victor Sewing Machine Co. under said license, covering the period from January 1st, 1879, to October 5, 1879.

Which is offered in evidence and marked Victor Return B. April 14, 1883. J. A. S., master.

I also produce a return made by the Wilcox & Gibbs Sewing Machine Co., covering the period from May 4, 1875, to January 2, 1877.

Which is produced in evidence and marked Wilcox & Gibbs Return C. April 14, 1883. J. A. S., master.

The folding guides returned in said exhibits were paid for as provided in the licenses at the rate of ten cents for each folding guide; other returns were made by said companies covering the whole period for which they were licensed, ten cents being paid for each folding guide in every instance. Returns were also made by
122 the other licensees, but I have not had time to find them, but can if def'ts' counsel desires.

Answer objected to as irresponsive, and def'ts' counsel also objects to the introduction of the papers marked respectively Returns A, B, and C, as incompetent and not properly proven in the case.

G. H. WOOSTER.

Sworn to before me.

JOHN A. SHIELDS,
Master, &c.

Complainant rests.
Adjourned to Monday, April 16, 1883, at 11 a. m.

NEW YORK, *April* 16, 1883—11 o'clock a. m.

Met pursuant to adjournment.
Present: Counsel for respective parties.
Adjourned to Tuesday, April 17, 1883, at 9.30 a. m.

123 U. S. Circuit Court, Southern District of New York.

GEORGE H. WOOSTER *vs.* ALLEN SCHENCK *et al.*

To the judges of the circuit court of the United States for the southern district of New York:

Under the order made herein, dated Nov. 8th, 1882, this matter was returned to me to take further evidence upon the question of the license fee claimed to have been established by complainant.

The parties thereafter appeared before me, by their respective counsel, and such evidence as was offered has been taken and considered.

The complainant was the only witness examined, and there were produced by him copy of an original license or release to the Domestic Sewing Machine Co., the original of which could not be found; an original license granted to the Victor Sewing Machine Company and one to the Wilcox and Gibbs Sewing Machine Company; copies of licenses granted to the Grover & Baker Sewing Machine Company and the Palmer Manufacturing Company were also produced, the originals of which complainant testifies could not be found.

124 This evidence strengthens the finding contained in my report filed April 24, 1882.

There is no evidence necessitating any change of findings in said prior report, and the evidence taken under and pursuant to the order of Nov. 8, 1882, is herewith certified to the court.

I, therefore, find and report that complainant is entitled to damages against the defendant for the sum of fifteen hundred dollars, with interest from October 5th, 1879, as heretofore reported.

All of which is respectfully submitted.

N. Y., April 19, 1883.

JOHN A. SHIELDS,
Master, &c.

(Endorsed:) U. S. circuit court, south. dist. of New York. George H. Wooster *vs.* Allen Schenck *et al.* Master's report and testimony taken under order of court Nov. 8th, 1882. U. S. circuit court. Filed Apr. 17, 1883. Timothy Griffith, clerk.

125 THE VICTOR SEWING MACHINE CO., 12 HAMLIN STREET,
MIDDLETOWN, CONN., *July 8th*, 1875.

DEAR SIR: In view of the proposed settlement of the suit of George H. Wooster *vs.* The Victor Sewing Machine Company, I beg to say that, from a careful examination, I am not able to find that the company has made, sold, or given away any more than seventeen hundred and two guides (1702), which includes two hundred and fifteen (215) now on hand since date of proposed license.

Truly yours, FRANK D. SLOAT, *Pt.*

Cephas Brainard, Esq., 48 Pine St., N. Y.

126 Whereas certain letters patent of the United States, bearing date the 5th day of October, 1858, were granted to Alexander Douglas, of the city of New York, for an improved guide for sewing machines, &c.; and whereas George H. Wooster, of said city, has, by assignment from said Alexander Douglas, become sole owner of said letters patent; and whereas said letters patent have been extended for seven years, from October 5th, 1872, and reissued December 10th, 1872, No. 5780; and whereas the Victor Sewing Machine Company, who are a corporation party of the second part, is desirous of obtaining a license to manufacture, sell, and use said folding guides for itself and its customers.

Now this indenture witnesseth that the said George H. Wooster, party of the first part, for and in consideration, and in case of the due and faithful keeping and performing of each and all of the

conditions, agreements, and admissions hereinafter contained, to be kept and performed by the said party of the second part, has given and granted, and by these presents does give and grant, unto the said party of the second part, and to such of its customers whose purchases shall be returned and accounted for to the party of the first part as hereinafter mentioned, for family use only, and not in any business or manufacturing establishment, without the written permission of said George H. Wooster, his executors, administrators, or assigns:

First. That is to say, the said party of the second part, for itself and its successors, covenants and agrees to pay to the said George H. Wooster, as a patent fee or royalty, the sum of ten cents on each and every one of the said folding guides made, given away,
127 or sold in the United States by it or any of its agents or employees.

Second. The said party of the second part agree to keep full and correct books of account of all such folding guides made, given away, and sold by it or any of its agents or employees, which shall be open to all reasonable inspection of the party of the first part, his agents, or assigns, and on the first day of each and every month hereafter to render to the party of the first part, under the oath of its president and of such employee, who has the best means of knowing the truth thereof, a full and correct statement of each and of all the said folding guides made, given away, or sold in the United States by it and them not included in the last preceding statements, specifying particularly the names and places of business of each purchaser, and forthwith to pay to the party of the first part, his executors, administrators, or assigns, the sum of ten cents each upon and for each and all of the said folding guides so given away or sold as aforesaid.

Third. At the end of each and every year from the date hereof the said party of the first part shall have the right, if he is so advised, to change the amount of license fee or royalty to be paid by all licensees for each folding guide, and either to increase or diminish the same by giving written notice of such intention at least twenty days before the 5th day of October in each year, and, if such notice shall be given, then this license shall be from and after such date and be treated as if the amount of license fee specified in said notice was specified in this license instead of the sum of ten cents. In all other respects this license shall be unchanged; but said party
128 of the second part may at any time cease the sale of said folding guides.

Fourth. The said party of the second part shall deposit with the party of the first part a specimen of the particular form and style of each and every folding guide it desires to have licensed under this license. Each of such specimen guides shall be marked with the initials of the respective parties hereto, and shall be separately and distinctly indicated by appropriate names on the back of each copy of this license, and no guide shall be hereby licensed unless an accurate sample or specimen of the same be so marked, deposited, and referred to.

The said party of the second part further covenants and agrees that during the term of said letters patent it will not make, give away, or sell any folding guide or guides containing any of the inventions described and claimed in said letters patent without the written license of said party of the first part.

The said party of the second part further covenants and agrees that it will not contest in law or equity, nor aid or assist or advise others to contest in law or equity, the validity of the above-described patent or any reissue thereof, and that it will never refuse to pay the party of the first part the license fee as set forth if said patent or reissue should be litigated or contested at law or equity by other parties.

If, however, by any decree of the court of final resort said letters patent shall, on due proceedings had, be adjudged and decreed to be invalid, then and thereafter the obligation to pay license
129 fees thereafter accruing shall cease and determine.

Sixth. The said party of the second part further covenants and agrees to mark, stamp, or cast indelibly on each and every folding guide used the words: "Patented October 5, 1868, reissued December 10th, 1872. Licensed for family use only."

Upon the failure of the party of the second part at any time to faithfully carry out and perform any or either of the said above-mentioned conditions and promises, the said party of the first part, his executors, administrators, or assigns may revoke and annul this license, in which case this license, and all rights and privileges of the party of the second [part] herein, shall forever cease and determine.

It is further distinctly understood and agreed between the parties as follows:

No folding guide shall be or is hereby licensed unless it shall be marked or stamped as aforesaid, and if such mark or stamp be removed or effaced this license as to such folding guides shall, *ipso facto*, cease. It is further distinctly understood and agreed that this license is a personal privilege of the party of the second part and its said customers only, and is not to be, and cannot be, assigned, transferred, divided, shared, apportioned, or used in connection with any person not mentioned herein.

It is further distinctly understood and agreed that the party of the second part has no right or title of any kind in any folding guide itself which is hereby licensed; such guides are not lawfully made, but their sale and use is permitted solely in accordance with the provisions of this license and, not otherwise; and any other
130 sale or use than such as are expressly provided for herein is unlawful and an infringement of said letters patent.

In witness whereof the parties above named have hereunto set their hands and seals, this 10th day of December, 1872.

(S'd) GEORGE H. WOOSTER,
By W. B.
THE VICTOR SEWING MACHINE CO.,
By FRANK D. SLOAT, *Prest.*

I hereby acknowledge due and faithful performance of the conditions and agreements of the above license to the present date.
July 1st, 1875.
(S'd) GEORGE H. WOOSTER.

(Endorsed:) George H. Wooster to Victor Sewing Machine Co. License under patent for folding guides, dated Oct. 5, 1858, ex't'd Sept. 23, 1872; reissued, Dec. 10, 1872.

131 Whereas certain letters patent of the United States, bearing date the 5th day of October, 1858, were granted to Alexander Douglas, of the city of New York, for an improved folding guide for sewing machines, &c.; and whereas George H. Wooster, of said city, has, by assignment from said Alexander Douglas, become sole owner of said letters patent; and whereas said letters patent have been extended for seven years from October 5th, 1872, and reissued December 10, 1872, No. 5180; and whereas the Willcox & Gibbs Sewing Machine, of the city of New York, party of the second part, is desirous of obtaining a license to manufacture, sell, and use said folding guides for itself and its customers:

Now, this indenture witnesseth that the said George H. Wooster, party of the first part, for and in consideration, and in case of the due and faithful keeping and performing of each and all of the conditions, agreements, and admissions hereinafter contained, to be kept and performed by the said party of the second part, has given and granted, and by these presents does give and grant, unto the said party of the second part, and to such of its customers whose purchases shall be returned and accounted for to the party of the first part, as hereinafter stated, license to use such folding guides as are hereinafter mentioned, for family use only, and not in any business or manufacturing establishment, without the written permission of said George H. Wooster, his executors, administrators, or assigns:

First. That is to say, the said party of the second part, for itself and its successors, covenants and agrees to pay to the said George H.

132 Wooster, as a patent fee or royalty, the sum of ten cents on each and every one of the said folding guides purchased, made, or sold, or given away in the United States by it or any of its agents or employees.

Second. The said party of the second part agrees to keep full and correct books of account of all such folding guides purchased, made, and sold, or given away by it or any of its agents or employees, which shall be opened to all reasonable inspection of the party of the first part, his agents or assigns; and on the first day of each and every month hereafter to render to the party of the first part, under the oath of one of its officers and of such employee, who has the best means of knowing the truth thereof, a full and correct statement of each and all of the said folding guides purchased, made, or sold, or given away in the United States by it or them not included in the last preceding statements, specifying, particularly, the names and places of business of each purchaser; and forthwith to pay to the party of the first part, his executors, administrators, or assigns,

the sum of ten cents each upon and for each and all of the said folding guides so sold as aforesaid.

Third. At the end of each and every year from the date hereof the said party of the first part shall have the right, if he is so advised, to change the amount of license fee or royalty to be — by all licensees for each folding guide, and either to increase or diminish the same by giving written notice of such intention at least twenty days before the fifth day of October in each year; and, if such notice shall be given, then this license shall be from and after such date, and be treated as if the amount of license fee specified in said notice was specified in this license instead of the sum of ten
133 cents. In all other respects this license shall be unchanged; but said party of the second may at any time cease the sale of said folding guides.

Fourth. The said party of the second part shall deposit with the party of the first part a specimen of the particular form and style of each and every folding guide it desires to have licensed under this license. Each of such specimen guides shall be marked with the initials of the respective parties hereto, and shall be separately and distinctly indicated by appropriate names on the back of each copy of this license, and no guide shall be hereby licensed unless an accurate sample or specimen of the same be so marked, deposited, and referred to.

The said party of the second part further covenants and agrees that during the term of said letters patent it will not purchase, make, use, or sell any folding guides containing any of the inventions described and claimed in said letters patent without the written license of the said party of the first part.

The said party of the second part further covenants and agrees that it will not contest in law or equity, nor aid or assist or advise others to contest in law or equity, the validity of the above-described patent or any reissue thereof, and that — will never refuse to pay the party of the first part the license fee as set forth if said patent or reissue should belitigated or contested at law or equity by other parties.

If, however, by any decree of the court of final resort, said letters patent shall, on due proceedings had, be adjudged and de-
134 creed to be invalid, then and thereafter the obligation to pay license fees thereafter accruing shall cease and determine.

Sixth. The said party of the second part further covenants and agrees to mark, stamp, or cast indelibly on each and every folding guide purchased, made, used, or sold, or given away the words "Patented October 5, 1858; reissued December 10th, 1872; licensed for family use only." Upon the failure of the party of the second part at any time faithfully to carry out and perform any or either of the said above-mentioned conditions and promises, the said party of the first part, his executors, administrators, or assigns may revoke and annul this license; in which case this license and all rights and privileges of the party of the second part herein shall forever cease and determine.

It is further distinctly understood and agreed between the parties as follows:

No folding guide shall be or is hereby licensed unless it shall be marked or stamped as aforesaid, and if such mark or stamp be removed or effaced this license as to such folding guides shall, *ipso facto*, cease.

It is further distinctly understood and agreed that this license is a personal privilege of the party of the second part and its customers only, and is not to be, and cannot be, assigned, transferred, divided, shared, apportioned, or used in connection with any person not named herein.

It is further distinctly understood and agreed that the party of the second part has no right or title of any kind in any folding guide itself which is hereby licensed, such guides are not lawfully
135 made, but their sale and use is permitted solely in accordance with the provisions of this license, and not otherwise; and any other sale or use than such as are expressly provided for herein is unlawful and an infringement of said letters patent.

In witness whereof the parties above-named have hereunto set their hands and seals, this fifth day of October, 1872.

WILLCOX & GIBBS S. M. CO.,
By J. PARMLY, JR., *Treas.*

The party of the first part hereby acknowledges the due and faithful performance of this contract and license up to and including the 19th day of April, 1875.

Executed May 4th, 1875, & delivered.

(Endorsed:) George H. Wooster to Willcox and Gibbs Sewing Machine Company. License under patent for folding guides, dated October 5, 1858. Ext'd Sept. 23, 1872; reissued Dec. 10, 1872.

136 Whereas on the 5th day of October, 1858, good and valid letters patent of the United States were granted to Alexander Douglas for a new and useful improved folding guide for sewing machines, &c., No. 21659;

And whereas said letters patent were duly extended for seven years from October 5th, 1872, and were duly assigned to George H. Wooster, of the city of New York, and were duly reissued to said Wooster on the 10th day of December, 1872, No. 5180;

And whereas the established rate of license fee at which said Wooster permits folding guides made in accordance with said letters patent to be sold is the sum of ten cents for each folding guide for family use, the use of such guide being restricted to family use exclusively, and no property in the same being allowed to pass to the purchaser, so as to permit such purchaser to use the same in any business or manufactory;

And whereas the Domestic Sewing Machine Company are desirous of settling for said license fees and all claims therefor, and have this day paid the said George H. Wooster said license fee on all of the folding guides sold by them for family use as aforesaid, amounting in all to the sum of seven hundred dollars:

Now, therefore, in consideration of the premises and the
137 payment aforesaid, the said George H. Wooster does hereby release and forever discharge the said company from any further claim or demand for license fees for such guides to the day of the date hereof, and from all damages heretofore occasioned to him by the act of selling the same, expressly reserving, however, all claims he may or can have for any use of such guides in any business or manufactory by parties other than said company.

In witness whereof the said George H. Wooster has hereto set his hand, this twenty-eighth day of April, one thousand eight hundred and seventy-five.

(S'd) GEORGE H. WOOSTER.

Delivered May 5th, 1875.

138 [Endorsed:] George H. Wooster to the Domestic Sewing Machine Company. Release. Ex. Release, April 10. J. A. S., master, &c.

139 *Returns of Binders Sold by the Victor S. M. Co. from Jan. 1st, 1878, to Jan. 1st, 1879.*

		Sets Patent Hemmers.	Binders.	Keystone Att'chm'ts.
Jan.	Chicago office	67	35	4
	At factory	7		
Feb.	Chicago office	88	1	5
	At factory	1		
March.	Chicago office	79	2	
April.	" "	173	3	
	At factory	2		
May.	Chicago office	--	19	
	At factory	3		
June.	Chicago office	--	3	
July.	" "	--	17	
	At factory	2		
Aug.	Chicago office	--	45	
Sep.	" "	--	1	
Oct.	" "		28	
	At factory	1		
Nov.	Chicago office	202	5	
	At factory	9		
Dec.	Chicago office	220	7	
		854	166	9

Total ---- 854 sets patent hemmers.
166 binders.
9 Keystone attachments.

1,029

139½ [Endorsed:] Victor Sewing Mach. Co. April 22, '79. Binder Report, Victor License Return A. J. A. S., master. April 14, 1883. U. S. circuit court. Filed April 19, 1883. Timothy Griffith, clerk.

140 *Statement of Binders Sold by Victor S. M. Co. from Jan. 1st, 1879, to Oct. 5th, 1879.*

1879.

Feb.	6.	John Sitterly, Guilderland Center, N. Y.,	5	Goodrich
	12.	G. L. Werth, Montgomery, Ala.,	3	"
	17.	C. Adolphe Low & Co., New York city,	2	"
	"	" " " "	2	"
M'ch	10.	W. J. Hatcher, Enterprise, Ala.,	1	Goodrich
	"	" "	1	"
	11.	E. W. French, Willimantic, Conn.,	3	Goodrich
	26.	Mrs. S. C. Look, Marion, Va.	2	"
Ap'l	7.	H. F. Logee, Danielsonville, Conn.,	1	Goodrich
	11.	Geo. E. Boyden, Providence, R. I.,	2	"
	"	B. S. Farrington, Woonsocket, R. I.,	2	"
	12.	Z. L. Parker, Bath, N. Y.,	1	"
	15.	Joseph Hill, Spartanburg, S. C.,	5	"
	16.	C. E. Gifford, Fall River, Mass.,	2	"
	16.	E. B. Chase, New Bedford, Mass.,	2	"
	"	Mrs. W. H. Thompson, Sweetwater, Tenn.,	2	"
	"	Philip S. Knotts, Fellowsville, W. Va.,	2	Goodrich
	21.	Geo. W. Burr, Middletown, Conn.,	1	"
	"	" "	1	"
	"	John R. Hazard, Mystic Bridge, Conn.,	2	Goodrich
	"	C. B. Bliven, Westerly, R. I.,	1	"
	"	A. G. Sanford, Warren, R. I.,	2	"
	22.	Benj. C. Rhodes, Watchemoket, R. I.,	2	"
	"	J. B. Hopkins, Thomaston, Conn.,	2	"
	24.	Arthur Johnson, So. Lincoln, Mass.,	2	"
	25.	L. Wolff, Middletown, Conn.,	1	"
	"	" "	1	"

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1879.

May	2.	Thos. J. Sullivan, Palmer, Mass.,	1	Goodrich
	7.	N. H. Parish, Lyons, N. Y.,	3	"
	"	E. B. Chase, New Bedford, Mass.,	2	"
	"	W. Hager, Lawrence, Mass.,	1	"
	"	Geo. E. Boyden. Providence, R. I.,	4	"
	14.	W. S. Scofield, Palmyra, N. Y.,	1	"
	"	R. B. Capen, Augusta, Me.,	1	"
	15.	A. Garland, Rochester, N. Y.,	2	"
	21.	E. F. McKenney, Biddeford, Me.,	2	"
	"	E. W. Marshall, Snow Hill, Md.,	1	"
	29.	M. E. Bennett, Dunan, N. Y.,	1	"
	"	C. B. Webster, Waterbury, Conn.,	2	"

June	10.	L. M. Childs, Webster, Mass.,	1	"
	"	Jas. A. King, Southbridge, Mass.,	1	"
	"	L. Wolff, Middletown, Conn.,	1	"
	"	J. H. Caufmann, Hanover, Pa.,	1	"
	12.	W. M. Westfall, Moravia, N. Y.,	6	Goodrich
	"	Thos. Knox, Auburn, N. Y.,	2	"
	"	Geo. W. Drew & Co., Concord, N. H.,	4	"
	14.	Jos. Hill, Spartanburg, S. C.,	4	"
	16.	T. A. Tenney, Leominster, Mass.,	1	"
			2	
	"	J. C. Sanborn, Fitchburg, Mass.,	—	"
			97	
	17.	G. M. Wade, Albion, N. Y.,	2	"
	24.	Putnam & Ewing, East Hampton, Mass.,	1	"
	"	F. S. Woodruff, So. Deerfield, Mass.,	1	"
	26.	E. B. Luster, Fincastle, Va.,	1	"
	27.	C. G. Thompson, Rochester, N. Y.,	9	"
	"	M. W. Parsons, Geneva, N. Y.,	2	"
	30.	Maggie E. Preston, Hinsdale, N. H.,	1	"

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June	30.	M. E. Bennett, Lyons, N. Y.,	1	Goodrich
	"	D. P. Gardner, Dryden, N. Y.,	1	"
July	3.	Geo. E. Boyden, Providence, R. I.,	2	"
	8.	John White, Montgomery, N. Y.,	5	"
	10.	J. A. Kenyon	2	"
	14.	A. B. Randolph, Belchertown, Mass.,	1	"
	15.	D. H. Williams, Amherst, Mass.,	1	"
	"	E. Lovell's Sons, Trumansburg, N. Y.,	2	"
	16.	Hunt & Hamilton, Athol, Mass.,	1	"
	18.	J. K. Allen, Brattleboro, Vt.,	1	"
	19.	A. Kaufmann, New York, N. Y.,	3	"
	"	" " " "	3	"
	22.	Duchette & Boon, Monson, Mass.,	2	Goodrich
	"	Moulton & Co., Claremont, N. H.,	2	"
	25.	Geo. E. Boyden, Providence, R. I.,	1	"
	"	Chas. Dietrich, Lancaster, N. H.,	1	"
	28.	F. S. Woodruff, So. Deerfield, Mass.,	2	"
	"	Geo. E. Boyden, Providence, R. I.,	1	"
	29.	J. J. Hill, Barton, Vt.,	1	"
	"	C. A. Reed, Anderson, S. C.,	2	"
Aug.	4.	S. S. Peach, Wells' River, Vt.,	2	"
	5.	E. R. Marden, Montpelier, "	10	"
	6.	Hilton & Stevens, Richmond, Vt.,	1	"
	"	Thos. Knox, Auburn, N.Y.,	2	"
	11.	Jas. B. Husted, Vergennes, Vt.,	1	"
	12.	A. Gillespie, Ludlow, "	2	"
	16.	Cash,	1	"
	19.	W. S. Scofield, Palmyra, N. Y.,	1	"
	29.	Anna Camp, Middletown, Conn.,	1	"
	30.	Parsons & Hale, Cedar Key, Fla.	1	"

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1879.

Sept.	6.	Jos. M. Potter, Norwalk, Conn.,	1	Goodrich
	6.	Chas. H. Buxton, Bridgeport, Conn.	2	"
	15.	J. K. Allen, Brattleboro, Vt.,	2	"
	18.	F. S. Woodruff, So. Deerfield, Mass.,	3	"
	"	Wm. F. Welling, Newburgh, N.Y.,	2	"
	23.	W. P. Roberts, Yonkers, N. Y.,	1	"
	"	Geo. E. Boyden, Providence, R. I.,	1	"
	25.	J. C. Sanborn, Fitchburg, Mass.,	2	"
	30.	J. L. Mendenhall, Thomasville, N. C.,	3	"
Oct.	1.	C. A. Reed, Anderson, S. C.,	5	"
	1.	F. B. Keeler, Bordentown, N. J.,	1	"
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144 *Statement of "Binders" Sold by Chicago Office of Victor S. M. Co., From Jan'y* 1, 1879, *to Oct.* 5, 1879.

Date.		Sold to—	Number sold.	Style.
'79.				
Jan.	11.	E. B. Barr, Joplin, Mo.,	1	Stolls.
	28.	Elias Johnson, Leesburg, Ohio,	3	"
Feb.	4.	E. P. Barr, Joplin, Mo.,	2	"
	7.	R. W. Brower, Ottawa, Ills.,	2	Foot.
Ap'l	9.	Andrew Williams, Sank City, Wis.,	1	Stolls.
	24.	Barber Bros, Vermontville, Mich.,	1	"
May	26.	Wm. Van Camp, Tecumseh,	2	Goodrich.
June	7.	J. Iverson, Steven's Pt., Wis.,	1	Stolls.
	16.	Newman & Minor, Orion, Ills.,	2	Plate.
	19.	C. F. Murray, Bellevue, O.,	1	Stolls (?).
July	2.	H. E. Covell, Chelsea, Pa.,	1	Binder.
	21.	J. C. Bonner, Eaton, Ohio,	7	"
	25.	J. P. Ash, Bellmore, Ohio,	2	"
	26.	Mikesell & Lassell, Wabash, Ind.,	2	"
	2.	H. Luhr, New Buffalo, Mich.,	2	"
Aug.	7.	G. D. Ladd & Co., Peru, Ills.,	2	"
	26.	Chas. Vogt, Wheeling,	1	"
	30.	G. D. Ladd & Co., Peru, Ills.,	3	"
Sept.	12.	Sedwick, Walter & Co., Corning, Mo.,	3	Binder, stolls.
	16.	Henry Rief, Grand Island, Neb.,	12	"
	24.	Wm. Van Camp. Tecumseh, Neb.,	1	"
Oct.	5.		0	
Mar.	22.	J. W. Merry, Keating, Pa.,	1	Plate binder.
June	30.	Palmeter Bros., Clear Lake, Pa.,	1	Binder.
			54	
			194	
			248	

145 I do hereby certify that the foregoing statement is correct to the best of my knowledge and belief.

W. L. BLAKE,
Sec'ty Victor S. M. Co.

MIDDLETOWN, *Oct. 9th*, 1880.

STATE OF CONNECTICUT, *Middlesex County:*

Personally appeared W. L. Blake, secretary of the Victor Sewing Machine Company, and made oath before me that the foregoing is a correct statement of binders sold by said company during the time specified.

[SEAL.] J. N. CAMP,
Notary Public.

(Endorsed:) Victor Return B. April 14, 1883. J. A. S., master. U. S. circuit court. Filed Apr. 19, 1883. Timothy Griffith, clerk.

146 WILLCOX & GIBBS S. M. COMPANY,
No. 658 BROADWAY, COR. BOND ST.,
NEW YORK, *Feb'y 15th*, 1877.

Return of folding guides or binders in accordance with and under license from George H. Wooster, dated Oct. 5, '72, to Willcox and Gibbs Sewing Machine Co.:

The whole number of such guides or binders "purchased, or made and sold, or given away, in the United States by us, or any of our agents or employees," during the period from May 4th, 1875, to October 1st, 1875, is 121 binders, at 10 c. each, $12.10.

During the period from October 1st, 1875, to Jan. 2nd, 1877, is 720 binders, at 10 c. each, $70.20.

WILLCOX & GIBBS S. M. CO.,
J. PARMLY, JR., *Treas.*

(Endorsed:) Willcox & Gibbs. Letters & returns. Willcox & Gibbs' Return C, April 14, 1883. J. A. S., master. U. S. circuit court. Filed April 19, 1883. Timothy Griffith, clerk.

147 At a stated term of the circuit court of the United States for the southern district, in the second circuit, held in the United States court-rooms in the city of New York the 18th day of May, 1883:

Present: Hon. William J. Wallace, circuit judge.

GEORGE H. WOOSTER
vs.
ABBIE B. CLARK, Executrix; RUFUS D. CHASE, Executor, &c., of Andrew J. Clark, dec'd; JOHN W. WHEELER, WILLIAM T. ELLIOTT, ABIJAH FRENCH, and ALLEN SCHENCK.

This cause coming on to be finally heard the 8th day of May, 1883, upon the exceptions filed to the master's reports by the
148 defendants, and, after hearing E. L. Sherman, of counsel for defendants, and Frederic H. Betts, of counsel for complainant,

and, after due deliberation, it is ordered that the exceptions aforesaid be, and each of them are, overruled; and it is further ordered, adjudged, and decreed that said master's reports be, and the same are, in all things, confirmed, and that the complainant do recover of the defendants the sum of fifteen hundred dollars, with interest thereon from the 5th day of October, 1879, amounting to the sum of three hundred and twenty-two $\frac{50}{100}$ dollars, and the costs and disbursements as taxed, being the sum of eighty-nine $\frac{82}{100}$ dollars, amounting in all to the sum of nineteen hundred and twelve $\frac{32}{100}$ ($1,912.32) dollars, and that complainant have execution and other proper
149 process of this court to enforce the collection of the same.

It is further ordered that the compensation of the master be fixed, determined, and settled at the sum of two hundred dollars, and charged against the defendants, and that they be, and hereby are, ordered and required to pay the same within ten days after a copy of this order and decree is served upon them, or that an attachment do issue out of and under the seal of this court against the said defendants as for a contempt.

WM. J. WALLACE.

Approved—
E. L. SHERMAN,
Sol'r Deft's.

Endorsed: U. S. circuit court. George H. Wooster ag'st Abbie B. Clark, ex., &c., and others. Final decree. Andrew Comstock, compl'ts sol'r, 237 Broadway. U. S. circuit court. Filed May 26, 1883. Timothy Griffith, clerk.

150 U. S. Circuit Court, Southern District of New York.

GEORGE H. WOOSTER
ag'st
ABBIE B. CLARK, Executrix, — impleaded with others.

It is hereby agreed by the respective solicitors for the above-named parties that the annexed papers shall constitute the record to be sent by the clerk of the U. S. circuit court to the Supreme Court, on the appeal to the Supreme Court in the above matter.

New York, Aug. 16, 1883.

ANDREW COMSTOCK,
Compl'ts Sol'r.
E. L. SHERMAN,
Sol'r for D'f'ts.

Endorsed: U. S. circuit court, southern district of New
151 York. George H. Wooster ag'st Abbie B. Clark, executrix, impleaded, &c., and others. Stipulation as to record U. S. circuit court. Filed August 16th, 1883. Timothy Griffith, clerk.

152 United States Circuit Court, Southern District of New York.
In Equity.

GEORGE H. WOOSTER *vs.* ABBIE B. CLARK, Executrix, *et al.*

To the Honorable the Supreme Court of the United States:

The appeal of Abbie B. Clark, executrix, and Rufus D. Chase,

executor of Andrew J. Clark, deceased; John W. Wheeler, William T. Elliott, Abijah French, and Allen Schenck, the above-named defendants and appellants, respectfully showeth:

That, upon the 20th day of September, 1879, the above-named complainant filed his bill in the circuit court of the United States for the southern district of New York against the above-named defendants and respondents, to recover for and restrain an infringement of certain reissued letters patent relating to folding guides for sewing machines, dated December 10th, 1872, numbered 5180, and issued to the above complainant, as assignee of one Alexander Douglas; and that said bill alleged that the original letters patent were issued to said Alexander Douglas on the 5th of October, 1858, and numbered 21659, and that said Douglas after the grant of said original patent put the invention into use; granted licenses to use it;

153 brought numerous suits at law in the United States courts founded on said original letters patent, in all of which the defendants either took license under said patent, or verdicts were rendered against them sustaining the novelty of the invention and the validity of said original letters patent; that said patent was duly extended for seven years from the 5th day of October, 1872, and was thereupon assigned to the above complainant; that said complainant finding said patent was inoperative, as he said, surrendered said patent for a defective or insufficient specification, and obtained the reissue thereof, granted to him as assignee of said Douglas, December 10th, A. D. 1872, No. 5180; that the complainant has granted licenses upon payment of established license fees, brought numerous suits under the same, as, by said bill of complaint, will more fully and at large appear.

That upon the 13th day of February, 1880, the above-named defendants and appellants filed their answer to said bill of complaint in said circuit court, admitting, upon information and belief, the grant of said original and reissue patents, but denying infringement thereof; it also alleges that the invention of said Douglas had been previously known to, and used by, a number of persons whose names and residences are given.

The answer also denies that the original patent was inoperative and invalid, or that the reissue was obtained for good and lawful cause, and thereupon avers that said reissued letters patent are void.

154 That on the 24th day of February, 1880, the complainant filed his replication in said circuit court, and thereafter proofs were duly taken therein.

That on the 13th day of June, 1881, this cause came on for final hearing upon the pleadings and proofs therein, and was submitted by counsel for the respective parties thereto upon briefs.

That on the 14th day of September, 1882, an interlocutory decree was entered ordering, adjudging, and decreeing that the letters patent issued to Alexander Douglas October 5, 1858, No. 21659, were extended for seven years, and duly assigned to George H. Wooster, the above complainant, and the *the* reissue thereof to said complainant, dated December 10th, 1872, No. 5180, were good and valid in law, and that the defendants had infringed said reissued patent,

and that it be referred to a master to assess the profits or damages.

That the parties appeared before said master at various times, and that on the 22d day of April, 1882, the master filed a report that the complainant had an established fee of ten cents (10), and gave judgment for the complainant for fifteen hundred dollars, with interest from the expiration of the patent in absence of any other proof. Exceptions were thereupon taken and filed by the defendants to said master's report; that on the 12th day of June, 1882, a motion was made by defendants for leave to amend their answer by inserting therein a clause denying the validity of the reissue by reason of the long delay and neglect in applying for the same after the grant of the original patent, and that the case might be
155 reheard; and on the 30th day of June, 1882, said motion was denied.

That on the 8th day of November, 1882, when said exceptions were to be argued, complainant's counsel moved that the matter be referred back to the master for additional testimony, which was thereupon ordered by the court; and that afterwards the said master made a second report reaffirming his first report, and thereupon the defendants' counsel filed additional exceptions, and the same were thereupon argued before the court, and said exceptions were overruled and an order entered May 8th, 1883, that the said master's report be confirmed, and that complainant recover of the defendants the sum of fifteen hundred (1,500) dollars, with interest from October 5th, 1879, amounting to three hundred and twenty-two $\frac{50}{100}$ dollars, and the costs and disbursements taxed at eighty-nine (89.82) dollars and eighty-two cents, and that complainant have execution therefor.

Wherefore these appellants appeal from the whole of said decree of said circuit court of the United States, and respectfully pray that the decree of the said circuit court and the bill, answer, pleadings, depositions, evidence, motions, and interlocutory decrees and proceedings in said cause may be sent to the Supreme Court of the United States without delay; and the said Supreme Court will proceed to hear the said cause anew; and that the said decree of the circuit court, and every part thereof, may be reversed, and a decree made reversing the said decree of the circuit court and granting the prayer of defendants in their answer; that the bill may be
156 dismissed with costs, or such other decree as to the said Supreme Court shall seem just.

Dated New York, June 9th, 1883.

ABBIE B. CLARK, *Ex'tx.*
RUFUS D. CHASE,
Ex'or of A. J. Clark, deceased.
JOHN W. WHEELER,
WILLIAM T. ELLIOT,
ABIJAH FRENCH,
ALLEN SCHENCK,
By E. L. SHERMAN,
Their Attorney.

The above appeal is hereby allowed.

ADDISON BROWN.

August 7th, 1883.

(Endorsed:) U. S. C. Court, southern district of New York. In equity. George H. Wooster *vs.* Abbie B. Clark, Ex., *et al.* Appeal. Due service of a copy of the within appeal is hereby admitted. N.Y., August 8th, 1883. Andrew Comstock, compl't's sol'r. E. L. Sherman, counsel for def'ts, 16 Murray St., New York city. U. S. circuit court. Filed Aug. 14, 1883. Timothy Griffith, clerk.

157 *Bond for Damages and Costs.*

Circuit Court of the United States of America for the Southern District of New York. In the Second Circuit.

GEORGE H. WOOSTER

vs.

ABBIE B. CLARK, Executrix, and RUFUS D. CHASE, Executor of Andrew J. Clark, deceased; JOHN W. WHITE, WILLIAM T. ELLIOTT, ABIJAH FRENCH, and ALLEN SCHENCK.

Know all men by these presents that we, The New Home Sewing Machine Company, a corporation duly organized under the laws of the State of Massachusetts and having a place of business in the city of New York, and Robert W. Forbes, of the city of Brooklyn and State of New York, are held and firmly bound unto the above-named George H. Wooster in the sum of thirty-eight hundred and twenty-four dollars and sixty-four cents ($3,824.64), to be paid to the said George H. Wooster; for the payment of which, well and
158 truly to be made, we bind ourselves and each of us, our and each of our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

Sealed with our seals and dated the twenty-seventh day of July, in the year of our Lord one thousand eight hundred and eighty-three.

Whereas the above-named Abbie B. Clark, executrix, and Rufus D. Chase, executor of Andrew J. Clark, deceased; John W. Wheeler, William T. Eliot, Abijah French, and Allen Schenck, have prosecuted an appeal to the Supreme Court of the United States to reverse the decree rendered in the above-entitled suit by the judge of the circuit court of the United States for the southern district of New York:

Now, therefore, the condition of this obligation is such that if the above-named Abbie B. Clark, executrix, and Rufus D. Chase, executor of Andrew J. Clark, deceased; John W. Wheeler, William T. Eliot, Abijah French, and Allen Schenck, shall prosecute said
159 appeal to effect, and answer all damages and costs if they fail to make their plea good, then this obligation shall be void; otherwise, the same shall be and remain in full force and virtue.

[Seal of the New Home Sewing Machine Company.]

NEW HOME SEWING MACHINE COMPANY,

By ALLEN SCHENCK, *President.*

ROBERT W. FORBES. [L. S.]

Sealed and delivered, and taken and acknowledged, this 27th day of July, A. D. 1883, before me.

[NOTARY'S SEAL.] W. H. HICKS,
Notary Public (104), *New York County.*

Allen Schenck, being duly sworn on oath, deposes and says that he is the president of the New Home Sewing Machine Company, and resides in the city of New York, and that of his own knowledge he knows that said company is worth more than one million
160 of dollars over and above any and all liabilities and obligations whatsoever.

ALLEN SCHENCK.

Sworn to before me, this 27th day of July, A. D. 1883.

[SEAL.] W. H. HICKS,
Notary Public (104), *New York County.*

CITY, COUNTY, AND STATE OF NEW YORK, *ss:*

Robert W. Forbes, being duly sworn on oath, deposes and says that he resides in the city of Brooklyn and State of New York, and that he is a freeholder, and that he is worth more than five thousand dollars over and above any and all liabilities and obligations whatsoever.

ROBERT W. FORBES.

Sworn to before me, this 27th day of July, A. D. 1883.

[SEAL.] W. H. HICKS,
Notary Public (104), *New York County.*

161 (Endorsed:) U. S. C. court, southern district of New York. In equity. George H. Wooster *vs.* Abbie B. Clark, ex'x, *et al.* Bond for damages & costs. Bond approved as to form and sufficiency of sureties. Aug. 7, 1883. Addison Brown. E. L. Sherman, counsel for def'd'ts, 16 Murray St., New York City. U. S. circuit court. Filed Aug. 8, 1883. Timothy Griffith, clerk.

162 By the Honorable Addison Brown, judge of the circuit court of the United States for the southern district of New York, to George H. Wooster.

Whereas Abbie B. Clark, as executrix, and Rufus D. Chase, as executor of Andrew J. Clark, deceased; John W. Wheeler, William T. Elliott, Abijah French, and Allen Schenck have lately appealed to the Supreme Court of the United States from a decree lately rendered in the circuit court of the United States for the southern district of New York, made in favor of you, George H. Wooster, and have filed the security required by law, you are, therefore, hereby cited to appear before the said Supreme Court, at the city of Washington, on the second Monday of October, 1883, next, to do and receive which may appertain to justice to be done in the premises.

Given under my hand at the city of New York, in the southern

district of New York, in the second circuit, the 7th day of August, in the year of our Lord one thousand eight hundred and eighty-three.

ADDISON BROWN.

(Endorsed:) U. S. C. court, southern district of New York. In equity. George H. Wooster *vs.* Abbie B. Clark, ex., *et al.* Citation. Due service of a copy of the within citation is hereby admitted. N. Y., Aug. 8th, 1883. Andrew Comstock, compl'ts' sol'r. E. L. Sherman, counsel for def'ts, 16 Murray St., New York City. U. S. Circuit court. Filed Aug. 14, 1883. Timothy Griffith, clerk.

163 UNITED STATES OF AMERICA, } ss:
Southern District of New York, }

Timothy Griffith, clerk of the circuit court of the United States of America for the southern district of New York, in the second circuit, do hereby certify that the foregoing pages, numbered from one to one hundred and sixty-two, inclusive, contain a true and complete transcript of the record and proceedings had in said court in the case of George H. Wooster, complainant & appellee, against Abbie B. Clark, as executrix, and Rufus D. Chase, as executor of Andrew J. Clark, deceased; John W. Wheeler, William T. Elliott, Abijah French, and Allen Schenck, defendants and appellants, as the same remain of record and on file in said office.

In testimony whereof I have caused the seal of the said court to be hereunto affixed, at the city of New York, in the southern district of New York, in the second circuit, this 22d day of August, in the year of our Lord, one thousand eight hundred and eighty-three, and of the Independence of the said United States the one hundred and eighth.

[Seal of U. S. Circuit Court.]

TIMOTHY GRIFFITH, *Clerk.*

Endorsed on cover: S. New York, C. C. U. S. No 268. Abbie B. Clark, executrix, and Rufus D. Chase, executor of Andrew J. Clark, deceased; John W. Wheeler, William T. Elliot, Abijah French, & Allen Schenck, appellants, *vs.* George H. Wooster. Filed 29th August, 1883.

Supreme Court of the United States.

IN EQUITY.

No. 31.

ABBIE B. CLARK, EXECUTRIX, AND RUFUS D. CHASE, EXECUTOR OF ANDREW J. CLARK, DECEASED, JOHN W. WHEELER, WILLIAM T. ELLIOTT, ABIJAH FRENCH AND ALLEN SCHENCK, APPELLANTS,

v.

GEORGE H. WOOSTER.

BRIEF ON BEHALF OF APPELLANTS.

I.

ABSTRACT OF CASE.

This suit was brought in the Circuit Court of the United States for the Southern District of New York, on the twentieth day of September, 1879, for the alleged infringement of reissued Letters Patent of the United States No. 5,180, granted Dec. 10, 1872, for a folding guide for sewing machine. The original Letters Patent upon which this reissue was based were No. 21,659, granted Oct. 5, 1858.

The original patent was for fourteen years, and was extended for seven years from the fifth day of October, 1872. The patent expired on the fifth day of October, 1879, fifteen

days after the filing of the bill in this case. The plaintiff and appellee, George H. Wooster, of the city of New York, states (p. 13, Cross-Int. 8) that his occupation is "prosecuting infringers of patents." The defendants were members of the firm of Johnson, Clark & Co., manufacturers of and dealers in sewing machines.

The answer of the defendants, page 6 of the record, admits the issue of the original and reissued Letters Patent, but not that they were "legally and properly granted"; admits the extension of the patent, but avers that the extension was illegal and void; denies that the original patent was surrendered or the reissue obtained for good and lawful cause or in accordance with the statutes of the United States authorizing reissues; but avers, on the contrary, that the surrender of the original was illegally made for the purpose of claiming more and other matters and things than were described and claimed by said Douglass in his original patent, and avers that the "said reissued Letters Patent were not for the same invention for which said original Letters Patent were issued, and are therefore void and of no effect."

The answer further denies the utility of the invention and that the complainant has any rights under the patent. It further denies that the defendants have injured the complainant or deprived him of any gains or profits. It further denies infringement. The answer then alleges that Douglass was not the original and first inventor of the improvements claimed in said reissued Letters Patent No. 4,180, and sets up a large number of persons by whom the same were known and used prior to the invention of Douglass, and a large number of Letters Patent alleged to be anticipations of his patent.

The complainants proceeded to take their *prima facie* case. To prove infringement, Andrew Comstock, the counsel for the complainant, testified, on behalf of his clients, to the purchase by him, and the sale to him, in the defendants' store, of a single folder, which was introduced in evidence and marked "Complainants' Exhibit A" (p. 12, Cross-Int. 3). This single sale was made on the 7th of April, 1879, five months and thirteen days prior to the filing of the bill (Comstock, p. 12, Cross-Int. 2). Wooster, the complainant, testified, on his own behalf, that said folder embodied the invention of the patent in suit.

All the testimony on behalf of the defendants was stricken out, on motion, by the Court, because not taken in time, and upon the plaintiffs' testimony alone the case was argued. A decree was entered for the complainant on the 14th day of September, 1881. The opinion of his Honor Mr. Justice Blatchford, ordering the decree, is printed on p. 27 of the record. In it the Court find that Claims 2, 4 and 5 of plaintiffs' patent were infringed. The case was then sent to a Master to take an account of damages and profits. By stipulation, printed on p. 39 of the record, defendants admitted that they had purchased and disposed of fifteen thousand binders covered by the decree in said suit; and as part of the same stipulation, the complainants waived all claim for profits and relied solely upon proof of damages. Upon the conclusion of the hearing before the Master, he reported that the complainants had shown an established license fee of ten cents for each folding guide (p. 30-32 of the record). The case was thereupon sent back to the Master for the purpose of allowing the parties to produce further evidence upon the question as to whether a license

fee at the rate of ten cents per binder had been established (p. 58 of the record). The second report of the Master, confirming his former report, finding that there was an established license fee, and awarding damages on the basis of ten cents per folder, is printed in the record, p. 65. A final decree confirming the Master's report was ordered upon the twenty-sixth day of May, 1883, and is printed p. 76 of the record. From the decree of the Circuit Court, the defendants in the court below appeal to this court.

II.

The points upon which the defendants in the court below, the appellants in this court, rely are as follows: —

First. That the Circuit Court of the United States, sitting in equity, has no jurisdiction of this cause, because the complainant had a plain, adequate and complete remedy at law, and because he did not by his bill or in his proof in support of said bill make or state such a case as entitled him in a court in equity to any discovery from the defendants or of any relief against them.

Second. That the reissued patent in suit was illegally granted and void, as appears from the allegations of the bill of complaint, inasmuch as the bill avers that said reissue was taken fourteen years after the granting of the original, because said original was inoperative by reason of a defective and insufficient specification, and to amend the specification of claim (p. 3 of record), and that a presumption of laches arises from a delay of fourteen years in applying for such a reissue, which presumption under the rules of pleading the complainant is bound to meet by proper allegations in his bill. Inasmuch as no such allegations are

made in this bill, it is submitted that the presumption of laches is not met, and that the reissue must therefore be declared invalid.

Third. That the Court erred in finding that the measure of the damages to be recovered of the defendants was an established license fee, and in finding that such an established license fee was proved; and that a decree for nominal damages only should have been entered against the defendants.

III.

JURISDICTION.

The bill in this case was filed on the twentieth day of September, 1879, fifteen days before the date of the expiration of the patent, which was Oct. 5, 1879. It is submitted that the bill does not state, and the complainant does not make out in his proofs, any case for equitable jurisdiction, and that therefore the bill must be dismissed.

The Constitution of the United States, 7th Amendment, preserves the right of trial by jury in suits at common law where the value in controversy exceeds twenty dollars, and since the Judiciary Act it has been the statutory rule that "suits in equity shall not be sustained in either of the courts of the United States, in any case where a plain, adequate and complete remedy may be had at law."

Revised Statutes, Sect. 723.

The Court has stated, in Watson *v.* Sutherland, 5 Wall. 74, that "the absence of a plain, adequate and complete remedy at law affords the only test of equity jurisdiction"; and in Hipp *v.* Babin, 19 Howard, 271,

"that whenever a court of law is competent to take cog-

nizance of a right, and has power to proceed to a judgment which affords a plain, adequate and complete remedy without the aid of a court of equity, the plaintiff must proceed at law, because the plaintiff has a constitutional right to a trial by jury."

Again, in Lewis *v.* Cocks, 23 Wall. 466, the Court say:

"It is the universal practice of courts of equity to dismiss the bill if it be grounded upon a merely legal title. In such cases the adverse party has a constitutional right to a trial by jury."

In the case of Root *v.* Railway Company, 105 U. S. 189, the Court indicates clearly that the rule is the same in patent causes as in other branches of equity jurisprudence. They say:—

"Indeed it is a settled doctrine of this court that this distinction of jurisdiction between law and equity is constitutional to the extent to which the seventh amendment forbids any infringement of the right of trial by jury as fixed by the common law. And the doctrine applies in patent cases as well as others."

See Parsons *v.* Bedford, 3 Pet. 433.
Fenn *v.* Holme, 21 How. 481.

It is well settled that this objection, that there is an adequate remedy at law, is to be "regarded as a jurisdictional question, and will be enforced by the court *sua sponte*, although not raised in the pleadings nor suggested by counsel."

Ollrichs *v.* Spain, 15 Wall. 211.
New York Guaranty & Indemnity Company *v.* The Memphis Water Co., 107 U. S. 205.
Parker *v.* Cotton & Woolen Co., 2 Black, 545.
Wright *v.* Ellison, 1 Wall. 16.
See also Insurance Co. *v.* Bailey, 13 Wall. 616.

It is submitted the complainant's bill in the present case states absolutely no ground for equitable interference, and that unless the mere fact that the plaintiff owned a patent which had a life of fifteen days, and which had been infringed, gave jurisdiction to the court of equity, the bill must be dismissed. The bill is printed on pp. 2–5 of the record. After alleging the grant of the patent and of the reissue and making profert of the latter, and after stating that the complainant had put the invention into use, had granted licenses under it, and had been successful in various suits brought on the patent, and that the patent had been of value to the plaintiff and his rights to the invention had been acquiesced in by the public generally, the bill proceeds: —

"And your orator would, but for the wrongful acts of the said defendants and others acting in concert with them, have made large gains, profits and advantages from the manufacture, use and sale of the said invention; and your orator would, but for the wrongful acts and doings of the said defendants and others acting in concert with them, now be enabled to use the said invention, to which he is entitled to the exclusive right as aforesaid, with profit and advantage, but that by the said wrongful acts and doing he is now prevented and hindered from so doing."

These allegations are merely formal in their character, and they do not in any way state a case which shows that the plaintiff required relief in equity. The bill then proceeds: —

"And your orator further shows unto your Honors on information and belief that the said defendants, well knowing the premises and the rights and privileges secured unto your orator, and in order to deprive him of the profits, benefits and advantages which might and otherwise would have accrued to him at New York and within

the said Southern District of New York, and without the license or permission of your orator, they, the said defendants, have since the date of said reissue and prior to the commencement of this suit unlawfully and wrongfully made or caused to be made, sold or caused to be sold, used or caused to be used, one or more folding guides each and all containing the said invention, discovery, improvements and combinations, the exclusive right to which is secured to your orator, as hereinbefore set forth, and which said unlawful making, use and sale by the defendant as aforesaid, is a violation and infringement of your orator's exclusive rights and privileges, and that the said defendants have derived and received and are still deriving and receiving from such use great gains and profits, but to what amount your orator is ignorant and cannot set forth, but your orator prays that the defendants may be required to make a disclosure of all such gains and profits."

This allegation certainly amounts to nothing except a bare statement that the defendants had in the past infringed in one or more instances by making, using or selling one or more of the patented folders. The bill then proceeds : —

"And your orator in like manner avers that the defendants, though requested to desist from such unlawful use, and to pay your orator such gains and profits as the defendants have actually made, refused so to do, by means whereof your orator is and has been greatly injured and is now hindered from putting the said invention or discovery into successful operation and from hindering [*sic*] others so to do, and is deprived and prevented from receiving the gains and profits to which he is lawfully entitled from the exclusive rights and privileges so granted and secured to him as aforesaid, and which he would have derived and acquired and would now derive and acquire but for the said wrongful acts of the said defendants."

This statement likewise amounts to nothing except that because of a certain past infringement by the defendants the

complainant has suffered damage, and because of that past infringement he is now injured and is now hindered from putting said invention or discovery into successful operation, and from getting the gains and profits that he otherwise would have received. The bill then prays for a perpetual injunction and for a preliminary injunction.

There are no other allegations in the bill relating in any way to the acts of the defendants because of which the bill was brought. There is no allegation that the plaintiff was continuing his infringement at the date of the filing of the bill. There is no allegation that the defendants threatened or intended to infringe or were in such a condition that they could infringe after the filing of the bill, or that they had ever persisted in infringing after notice. There is no allegation that the plaintiff had believed or had the slightest reason to believe that any further infringement was intended by the defendants, or that at the time of the filing of the bill they were doing anything from which the plaintiff could possibly suffer loss. The bill simply alleges past infringement, and proceeds to aver that because of that past infringement the complainant was suffering a loss for which he had not been compensated. The allegations of the bill do not set out any facts showing that the special and peculiar relief of a court of equity was required in order to protect the complainants, nor is any suggestion made that such relief is required.

The allegations of the bill that the defendants have infringed by making, using or selling one or more folders embodying the invention of the patent must be construed to mean simply that the defendants had been guilty of one act of infringement, and we have then the case of a complainant coming into a court of equity and asking for equitable relief

for no other reason than because the defendants had been guilty, in the past, of a single act of infringement. For the case made out in the complainant's bill, a court of law could give all the redress to which the plaintiff was entitled. It could award damages for the only acts of the defendants which are averred by the bill to have been in violation of the plaintiff's rights.

The Supreme Court, in the case of Root *v.* Railway Co., 105 U. S. 189, have affirmed that the right to proceed in equity for the infringement of Letters Patent depends not upon anything peculiar to the subject matter of the litigation, but upon general principles of equity. It is decided in that case that unless the complainant shows that he requires the interposition of a court of equity, under some of the established heads of its jurisdiction, he must be relegated to his action at law. After an exhaustive discussion of the authorities and principles upon which equitable relief in patent causes is based, the Court concludes:—

"That a bill in equity for a naked account of profits and damages against an infringer of a patent cannot be sustained; that such relief ordinarily is incidental to some other equity, the right to enforce which secures to the patentee his standing in court; that the most general ground for equitable interposition is, to insure to the patentee the enjoyment of his specific right by injunction against a continuance of the infringement; but that grounds of equitable relief may arise other than by way of injunction, as where the title of the complainant is equitable merely, or equitable interposition is necessary on account of the impediments which prevent a resort to remedies purely legal; and such an equity may arise out of, and inhere in, the nature of the account itself springing from special and peculiar circumstances which disable the patentee from a recovery at law altogether, or render his remedy in a legal tribunal difficult,

inadequate and incomplete; and as such cases cannot be defined more exactly, each must rest upon its own particular circumstances, as furnishing a clear and satisfactory ground of exception from the general rule."

In conclusion the Court says: —

"It does not appear from the allegations of the bill in the present case that there are any circumstances which would render actions at law for the recovery of damages an inadequate remedy for the wrongs complained of, and as no ground for equitable relief is presented, we are of opinion that the Circuit Court did not err in sustaining the demurrer and dismissing the bill."

In the subsequent case of Hayward *v.* Andrews, 106 U. S. 672, this same doctrine is again stated by the Supreme Court. The Circuit Courts have not only followed these authorities so far as to dismiss, either on demurrer or at final hearing, bills in equity brought for the infringement of Letters Patent after the date of the expiration of Letters Patent, but they have also recognized that if the right of a plaintiff to proceed in equity depends upon his right to an injunction, the mere fact that he has a patent which has not expired is not necessarily sufficient to justify the court in assuming jurisdiction. The attention of the Circuit Courts, however, has been directed to a very great extent to the question of time merely; that is to say, whether or not there was time enough left between the date of the filing of the bill and the expiration of the patent to enable the court to give equitable relief.

It is submitted that the element of time is not of itself of substantial importance in this connection. The question whether or not there is time enough to get an injunction or other equitable relief before the expiration of the patent, can be material only as bearing upon the question whether

the plaintiff is in such a position as to *require equitable relief for his protection*. It is submitted that the real principle upon which the courts should act in assuming jurisdiction is the same in patent causes as in other branches of equity jurisprudence, namely, that the plaintiff must allege and prove that at the time he brought his bill his situation was such as to make it necessary for him to have that relief which could be given only on the equity side of the court.

Before discussing these propositions at length, we wish to call attention briefly to the various Circuit Court cases in which the question has been raised, whether or not the court will assume jurisdiction of a bill brought for the infringement of Letters Patent shortly before the expiration of the patent.

In the case of Reay *v.* Raynor, 19 Fed. Rep. 308, the bill was filed two months and thirteen days before the expiration of the patent. The bill, however, was defective, and an amendment was filed twenty-seven days after the expiration of the patent. Judge Wheeler sustained the bill upon the ground that the amendment only made the bill "what it should have been to be good when brought." The Court states: —

"If the oratrix has shown a case for any equitable relief, she is upon all the decided cases entitled to have the bill retained for that, and such cognate relief as is necessary to do complete justice."

It does not appear from the decision what special allegations there may have been in the bill showing that the plaintiff was entitled to equitable relief.

In the case of the American Tube Works *v.* Bridgewater Iron Company, Colt, J., 26 Fed. Rep. 325, the bill was filed July 10, 1880, twenty-three days before the expiration of the

patent. The bill prayed for a perpetual injunction but not for a preliminary injunction. The Court sustained the bill, stating that

"the case was cognizable in equity at the time the bill was filed, and it was not impossible to have obtained equitable relief during the life of the patent. It was not a mere device to transfer a plain jurisdiction at law to a court of equity, as the courts have held where the patent has only several days to run."

It does not appear what special grounds for equitable relief, if any, were set out in the bill.

In Burdell *v.* Comstock, 15 Fed. Rep. 395, the bill was filed five days before the expiration of the patent sued on. It prayed for an injunction and account, but the Court say,

"It is manifest that the prayer for an injunction was a mere pretext, 'a device to transfer plain jurisdiction to award damages from a court to which it properly belongs to this court.' Betts *v.* Gallais, Eng. L. R. 10 Eq. 392. The injunction prayed for was neither expected nor desired. No court would, under the facts stated, have granted it. If issued, it could only have operated for the few days intervening between the filing of the bill and the expiration of the patent. We have no hesitation in declaring that upon these facts this court *never had jurisdiction of the case.* The defendant, taking this view of the law, promptly demurred, alleging want of jurisdiction. His demurrer was overruled. But this decision is not conclusive of the question. Objections to the jurisdiction are usually taken in the first instance, but a plain defect of jurisdiction may be insisted upon at the hearing. Thompson *v.* Railroad Co., 6 Wall. 137. Our opinion is that this court is without jurisdiction, and complainant's bill will therefore be dismissed with costs."

In the course of the decision, the Court stated the true ground upon which patentees have the right to proceed in equity in the following language: —

"Owners of patents are entitled as well to protection against future invasions of their rights as to compensation for past injuries. Hence parties desiring such relief must from the necessities of their cases invoke the aid of courts authorized to issue injunctions, and when jurisdiction is once rightly obtained, the court may proceed and decree full relief."

In the case of Davis *v.* Smith, Lowell, J., 19 Fed. Rep. 823, the bill was filed one day before the patent expired. The Court sustained the demurrer to the bill for want of equity, saying: —

"No equitable discovery or relief is sought by the bill beyond or different from that which is usual in ordinary patent causes. The plaintiff could not expect the Court to grant a restraining order which must expire before it could by reasonable diligence be served, nor was one prayed for. An injunction was impossible for want of time to notify the defendant."

In the case of the Racine Seeder Co. *v.* Joliet Wire Check Rower Co., 27 Fed. Rep. 369, the Court dismissed the bill without prejudice, in great part because

"this patent was within about two months of its expiration at the time the bill was filed, leaving it doubtful, under the rule in Root *v.* Railway Co., 105 U. S. 189, whether the court has jurisdiction in equity."

His Honor Mr. Justice Blatchford has twice had occasion to pass upon the question of whether or not the court would entertain jurisdiction of a bill filed just before the patent expired.

In the case of the Toledo Mower and Reaper Co. *v.* Johnston Harvester Co., 32 O. G. 1010, the bill was filed twenty-six days before the patent expired. The bill is set out at length in the opinion of the court, and makes out a strong case for equitable relief. The Court says: —

"This case does not fall within the ruling in Mershon *v.* The J. F. Pease Furnace Co., herewith decided. In the present case, the bill was filed twenty-six days before the patent expired. There was time to give notice of a motion for a provisional injunction and to obtain it. Moreover, the bill sets forth special circumstances for equitable relief, in that the plaintiff has retained the exclusive right to make and sell, and is exercising it, and is able to supply the market, and the defendants are making machines containing the invention, and threaten to make them in large quantities, and intend to put on the market, in the season of 1885, infringing machines made before the patent expires, and have large quantities on hand which they are offering for sale; and the bill prays for an injunction restraining the sale, after as well as before the patent expires of machines unlawfully made before it expires."

On the same day the same judge decided the case of Mershon *v.* J. F. Pease Furnace Company, 32 O. G. 1011, in which the bill was brought six days before the expiration of the patent. The Court states that the bill "sets forth no special ground for equitable relief." The Court, after a discussion of the statutes and the theory upon which the equitable jurisdiction of the United States courts is based, says:

"In the present case the sole object of the bill plainly appears to be to obtain pecuniary compensation in the shape of profits or damages in a case where no injunction of any kind could be obtained; for by the rules of the court (Northern District of New York), a notice of eight days of a motion for an injunction is required. The coming into a court of equity under such circumstances will not be permitted. As the bill does not show that an action at law for damages would be an inadequate remedy for the wrongs complained of, and no *bona fide* ground for equitable relief is presented, the demurrer is allowed with costs."

It is submitted that the two cases last cited, both of which were decided by his Honor Mr. Justice Blatchford, indicate

the true rule for determining the question whether or not in any given case a court of equity will take jurisdiction of a cause based on Letters Patent. In the first case the bill not only prayed for an injunction, but set out a number of circumstances which made it essential to the protection of the plaintiffs that he should have equitable relief there and then. It alleged that the defendants threatened to make infringing articles in large quantities, and that they intended to put on the market for the ensuing season infringing machines made before the patent expired; that they had large quantities on hand which they were offering for sale. The bill prayed for an injunction restraining the sale after as well as before the expiration of the patent of machines unlawfully made before it expired. Under these special and peculiar circumstances, all of which are emphasized by the Court as affording the real ground for the decision, the bill was sustained. The reference of the Court to the fact that the plaintiff would have time to make a motion for provisional injunction and to obtain it, is merely incidental to the general argument, it being clear that if the plaintiffs allege sufficient grounds for equitable relief at a late stage in the life of the patent, all that it was necessary for the Court further to consider in order to sustain the bill was whether or not there could be an opportunity to award the relief to which the plaintiff was entitled.

In the second case, however, the same judge, finding no grounds whatever for equitable relief set out in the bill, except the bare prayer for an injunction, and finding furthermore that under the regular practice of the Circuit Court in which the case was pending, there was not time for a motion for an injunction *pendente lite* to be made, declined to take jurisdiction and dismissed the bill.

It is undoubtedly true that even under the circumstances of the second case the Court would have the power to render equitable relief by granting a restraining order *ex parte* under Sect. 718 of the Revised Statutes of the United States, and this is true of every one of the cases in which the courts have refused to entertain jurisdiction, except the case before Judge Lowell, where the patent expired the day following the bringing of the bill, and where, as he said, a restraining order would become ineffective as soon as served. The granting of a restraining order is as much equitable relief as the grant of a preliminary injunction, and if the question of equity depends upon whether or not it is physically possible to grant equitable relief of any kind, a bill filed two days before the expiration of the patent would necessarily be good. On the other hand, if the question of the possibility of the plaintiff getting a preliminary injunction before the patent expired is the material consideration, the term within which the bill may be filed would vary in the different circuits; for in the Southern District of New York, four days' notice of motion for a preliminary injunction is required; in the Northern District of New York, eight days are required; in the District of Vermont, and in many other districts, only a reasonable notice is required; while in the First Circuit the practice is to take out a summons returnable in ten days, and upon the return day of the summons to apportion a reasonable time to the defendants and complainants, within which affidavits are to be filed, and an issue made up for the purpose of the motion. If time to move for a preliminary injunction were the essence of the jurisdiction, a bill ought to be filed in the Circuit Court of the United States for the District of Massachusetts at least three weeks before the expiration of

the patent in order to give opportunity for securing a preliminary injunction, while in the Southern District of New York the court would have jurisdiction if the bill were filed five days before the expiration of the term of the patent. It is submitted, however, that the element of the time elapsing after the filing of the bill and before the expiration of the patent, and the physical possibility of securing equitable relief within that time, are only material incidentally to the broad and general principles upon which the jurisdiction of the court in equity always depends.

It is submitted that in patent causes, as in other branches of equity, the plaintiff's right to come into equity because of his prayer for an injunction, depends upon whether he has shown in his bill that his cause of action and the situation of the parties are such that he does not have a plain, adequate and complete remedy at law, but needs the special and peculiar remedies to be obtained only in a court of equity. If he makes out by his bill that he requires the interposition of a court of equity by way of injunction, a further question may arise whether it is physically possible for him to obtain the relief sought or any substantial part of it before the expiration of the term of the patent, during which alone he is entitled to such relief; but independently of the latter question, we submit that a plaintiff in a patent case is never entitled to go into equity unless he brings himself within the jurisdiction of the court by the allegations of his bill.

The Court, in the case of Root *v.* Railway Co., have truly stated that the right to an "*injunction against the continuance of the infringement*" is the most common ground for the jurisdiction of a court of equity in patent causes.

The Court does not decide, however, that a plaintiff is

entitled to an injunction merely because he is the owner of Letters Patent which have been infringed. On the contrary, they decide that he is entitled to an injunction where the situation is such as to entitle the plaintiff to an injunction under the general principles of equity; that is to say, where the plaintiff makes out a case showing that unless the court of equity interferes, he will suffer great and irreparable damage of such a character that the damages he might recover in a court of law would not afford him adequate compensation. He must at least allege in his bill that the trespass is a continuing one. In the case of Letters Patent, he should at least allege that the defendant is still infringing and threatens and intends to infringe. He must show that he is not seeking merely damages for past violations of his rights, but that he is seeking to have the continuing trespass restrained, because if not restrained a multiplicity of suits will be necessary for his protection, or he would suffer other great and irreparable damage. Unless the bill contains such allegations, it seems clear that the case is no more cognizable in a court of equity than would be a bill alleging a single act of waste, nuisance or trespass which did not charge that the unlawful acts are continuing, or that the defendant intends and threatens to persevere in his violation of the plaintiff's rights to the great injury of the plaintiff.

It is well settled that the ground of the jurisdiction of a court of equity to grant injunctions against torts is not based upon the fact that the plaintiff has suffered damage in the past, for the courts of law will in that case afford him full redress by way of damages.

"The jurisdiction, in all cases in which an injunction is prayed for to restrain a tort, is founded upon the equity of

protecting property from irreparable injury, or of protecting the plaintiff against a continuing violation of his rights."

Kerr on Injunctions, Am. Ed. 1871, pp. 235, 287, 332, and cases there cited.
Fletcher *et al. v.* Bealey *et al.*, 28 Ch. Div. 688.
Doherty *v.* Allman, 3 App. Cas. H. of L. 709.
Pulteny *v.* Shelton, 5 Ves. 260, note.
Lathrop *v.* Marsh, 5 Ves. 259.
Thwort *v.* Thwort, 16 Ves. 128.
Hawley *v.* Clowes, 2 John Ch. 122.
Watson *v.* Hunter *et al.*, 5 Johns Ch. 169.
Duvall *v.* Waters, 1 Bland (Md.), 577.
Jesus College *v.* Bloom, 3 Atk. 262.
Smith *v.* Cook, 3 Atk. 381.
Livingston *v.* Livingston, 6 Johns Ch. 497.
Clowes *v.* Beck, 13 Beav. 347.
Hogdson *v.* Duce, 2 Jur. N. S. 1014.
Parker *v.* Cotton & Woolen Co., etc., 2 Black, 545.
Bailey *v.* Taylor, 1 R. & M. 73.

The usual situation of the parties in cases in which bills in equity for the infringement of Letters Patent have been brought, and the character of the allegations commonly incorporated into such bills, have been such as to make the jurisdiction clear under these well-established principles of equity, and in few cases is the grounds of the jurisdiction discussed. The only decided cases found, upon a careful examination of the reports, in which it has ever been intimated, however, that there was a special and peculiar equity under the statutes of the United States, giving to causes based upon the infringement of Letters Patent a standing in the courts of

equity of a different character from other cognate cases of torts or trespass, are those Circuit Court cases distinctly overruled in Root *v.* Railway Company, in which it had been held that the court could take jurisdiction in suits on expired patents, where there were no special equities to confer jurisdiction.

In all other cases it has been assumed that the sole ground for the interference in a court of equity by injunction, in patent cases, was the same as in other cases.

In the case of Neilson *v.* Thompson, 1 Webster's Patent Cases, p. 286, Lord Chancellor Cottenham says, in refusing an injunction: —

"It seems to me that stopping the works by an injunction, under these circumstances, is just inverting the purpose for which an injunction is used. *An injunction is used for preventing mischief.*"

In the case of the Rumford Chemical Co. *v.* Hecker, 2 B. & A. 386, the Court says that an injunction should issue after final hearing,

"unless the defendant is able to show the Court such facts and circumstances existing in the case, as make it manifest that the equities between the parties demand the withholding of an injunction until after an accounting has been had. *Courts have the power to withhold it, and usually will do so, in those cases where by granting the injunction there seems to be more danger of producing an irreparable injury to the defendant than of preventing it on the part of the complainant.*"

In Jenkins *v.* Greenwald, 2 Fish. Pat. Cases, 38, the court decides that when a defendant has once infringed, he will be enjoined, even although he has ceased infringing, and agreed not to commit the tort again, but it is upon the express ground that —

"Having once been a wrong-doer, the law supposes the posibility of his being so again, and will impose the proper restraint to prevent the repetition of the wrongful act."

The Court does not go so far as to say that it would take jurisdiction in such cases if there were no proper allegations in the bill.

In the case of Sanders *v.* Logan, 2 Fisher Patent Cases, 168, Judge Grier had occasion to consider the question of the principles upon which an injunction is to be granted in patent causes in a case which was decided more than two years before the patent had expired, but in which the facts were in other respects much like those of the present case. He says (p. 170) : —

"The bill prays for an injunction and an account; and yet admitting the validity of the patent and its infringement by respondents, it is clear that as a proper remedy for the injury complained of, *neither an injunction nor an account are necessary or proper.* The invention claimed is for an improvement in the machinery of grist mills, and the only injury to plaintiff's rights exists not in using his invention, for it is his interest that all mills should adopt and use it, provided he is paid the priceof a license. Such price or value of a license is the true measure of the 'actual damage' suffered, and of the remedy which the patentee can obtain, or has a right to claim, in equity. . . . The remedy by injunction is neither necessary nor proper to enforce the payment of money. It is true that injunctions are now more liberally granted than in former times, yet the granting or refusal of them rests in the sound discretion of the Court. A rash or indiscreet exercise of this power may be very oppressive, of no use to the complainant and ruinous to the defendant. *As a remedy, it should be administered only for prevention or protection.* Where it is not necessary for these purposes, it it merely vindictive, injuring one party without benefit to the

other. There are many cases of patents where it is the only efficient remedy to protect the patentee, and prevent continuing trespasses on his rights. But there are others in which it answers neither purpose, and is only used for extortion or vengeance. A chancellor who would issue an injunction to stop a mill or manufactory locomotive or steam engine because in their construction somepatented device or machine had been used, would act with *more than doubtful discretion*. Stopping the mill or steam engine might *inflict irreparable injury*, but could not benefit the inventor. The compensation to him for this trespass on his rights is the price of a license. The wrong done him is not the useof his invention, but the non-payment of a given sum of money. To issue an injunction in such a case, *where neither prevention nor protection is sought or required, but only compensation, would be an abuse of power*. An injunction is not to be used as an execution or for extortion. . . . There has been no objection interposed to the jurisdiction of the court in this case, nor do I wish to be considered as deciding that the court has no jurisdiction, but rather as suggesting to counsel whether they have chosen the proper tribunal, when the bill exhibits a case where neither account nor injunction are proper remedies, but only a decree for a certain sum of money, with interest, as fixed actual damage."

It seems quite clear that if the question of jurisdiction had been raised before Judge Grier, he would have decided it adversely to the complainant.

The Court say in Root *v.* Railway Co., p. 192, "In the case of Sullivan *v.* Redfield (1 Paine, 441), which was decided in 1825, Mr. Justice Thompson, who, in the Livingston case had sat as one of the judges of the State court, had occasion to consider the nature of the equity jurisdiction in patent suits. 'The equity jurisdiction,' he said, 'exercised by the court over patents for inventions is merely in aid of the common law, and in order to give more complete effect to the provisions of the statute under which the patent is granted.' And in answer to the argument that the act of

1819 gave a peremptory right to an equitable remedy by virtue of the patent itself, he said, 'This act does not enlarge or alter the powers of the court over the subject matter of the bill or the cause of action. It only extends its jurisdiction to parties not before falling within it. Before this act, it had been held that a citizen of one State could not obtain an injunction in the Circuit Court for a violation of a patent right against a citizen of the same State, as no act of Congress authorized such suit. This act removed that objection and gave the jurisdiction, although the parties were citizens of the same State. But in the exercise of the jurisdiction in all cases of granting injunctions to prevent the violation of patent rights, the court is to proceed according to the course and principles of courts of equity in such cases. So that the questions presented in the present case are precisely where they would have been without this act.'"

It is submitted that with the exception of the cases overruled in Root *v.* Railroad Company, no cases can be found in which it is decided that a patentee is entitled to an injunction except upon the ground that he needs it to protect him against a continuing infringement which will cause him irreparable damage. If this is the law, it follows that a court of equity will not take jurisdiction in any case in which the bill does not contain the necessary allegations to lay the foundation for the granting by the court of an injunction for which the bill prays.

Story, Eq. Pl., Sect. 23.
Parker *v.* Cotton & Woolen Co., 2 Black, 545.

There are, to be sure, a class of patent cases in which it has been decided that where the infringement is past, an injunction will issue even if the defendant agrees not to infringe again, but the ground for assuming jurisdiction and granting relief in those cases, is as in all other patent cases,

because the complainant may well have reason to fear future infringement of his rights, and because he is entitled to better protection against such future infringement than the mere agreement of the defendant.

In one of these cases, Potter *v.* Crowell, 3 Fish. 112, where an injunction was granted, the proper rule is clearly stated. The Court says that, —

"Where the injury is not only *past, but cannot from the nature of the case be renewed or continued*, no injunction would be granted, for the well-recognized principle should in such case prevail, *that past injuries are not in themselves ground for injunction; and because the restraining power of a court of equity can only be evoked, not to remedy injuries already done, but to prevent injury.*"

See also Jenkins *v.* Greenwald, *supra.*
Draper *v.* Hudson, 6 Fish. 327.

It is submitted that where a bill is brought for the infringement of Letters Patent, the same allegations must be made in the bill as in case of waste or nuisance or trespass, in order to justify the court in assuming jurisdiction. It may well be doubted if in any case or any stage in the life of a patent a court of equity has jurisdiction, if the bill alleges only the title to a patent and the fact of past infringement, for from such allegations no damage could he inferred except the precise damage which would be awarded by the courts of law. If the plaintiff, at any time in the life of the patent, needs an injunction, his bill should state that he requires the interposition of the court of equity by way of injunction, because of the fact that the defendant is either continuing his infringement at the time of the filing of the bill, or threatens or intends so to do.

When the bill is brought, as in this case, only two weeks prior to the expiration of the patent, so that the special relief of a court, if it could be administered at all, could only be operative for a few days, it would seem specially important that the bill should contain such allegations as will show that there is a necessity for the intervention of the court. Unless the damage to the plaintiff from future acts of infringement during the remainder of the term of the patent is of such a character that the Court is prepared to say that damages awarded by a court of law will not be a sufficient compensation to him for that injury, the court of equity will not interfere. Certainly, the mere continuance of an infringement for a few days cannot, in ordinary cases, be the cause of irreparable damage to the complainant.

In bills brought for an injunction against waste, a court will not interfere where the waste is trivial, nor will such an injunction be granted where the person against whom such relief is sought has stopped committing waste since the filing of the bill.

Parker *v.* Cotton & Woolen Company, 2 Black, 551.
Brace *v.* Taylor, 2 Atk. 253.
Barry *v.* Barry, 1 J. & W. 653.
Lambert *v.* Lambert, 2 Ir. Eq. 210.
Doran *v.* Carroll, 11 Ir. Ch. 283.

On the same principle, a bill for an injunction will not lie to prevent a nuisance or a trespass which is of small moment.

Kerr on Injunctions, Am. Ed. 1871, pp. 353 and 363, and cases there cited.

It is submitted that these cases are authority for holding that a court in equity has no jurisdiction of a patent cause,

where the prospective damage, if any is alleged, must necessarily be as slight as would have been the continuance of infringement by the defendants in the present case for fifteen days.

When, however, as in the present case, there is no allegation of continuing infringement, no allegation that the defendants threaten or intend to continue their infringement, no allegation that if they do continue their infringement they will cause the complainant injury of such a character that he cannot be compensated for it by damages, and not even an allegation to the effect that the infringement of the past was of such a character as to cause irreparable damage from which it might possibly be inferred that a continuance of the infringement, if alleged, would in like manner seriously affect the plaintiff's interests, it is hard to see any theory upon which the bill can be sustained, which will not be a violation of the fundamental principles upon which courts of equity have always based their jurisdiction to grant injunctions in cases of tort.

In the present case, the proofs, when taken, do not in any degree tend to show that it was possible for the complainant to have made in his bill those allegations which alone confer jurisdiction upon a court of equity, or that he did not have a plain, adequate and c omplete remedy at law. The single act of infringement upon which the plaintiff based his *prima facie* case consisted of the sale in the defendants' store to the plaintiff's counsel of a single folding guide or binder, on the seventh day of April, 1879, five months and thirteen days before the bill was brought. If the plaintiff was in danger of suffering irreparable damage from the defendants' acts, or if the defendants were in fact continuing their

infringement after the time of this single sale, it was the complainant's duty to have brought his bill long prior to its actual date of filing. The fact that he did not do so completely negatives any presumption that the defendants' acts, if continued, were of such a character as to seriously embarrass or injure the plaintiff. Moreover it appears from the testimony before the Master, that the defendants, Johnston, Clark & Co., are dealers in sewing machines (p. 37, Int. 13, and on p. 13, Cross-Int. 6); it appears from the direct examination of complainant's counsel in his deposition to show infringement that he was informed by one of the defendants that "his company made no money by the sale of the articles direct of any consequence; that they furnished a set of attachments including this binder with each machine sold for cash."

There is no suggestion in the record that the defendants were manufacturers or users of the infringing devices, or that their dealing in the binders alleged to be infringements of the patent was a regular part of their business, or that they sold them for profit. Moreover, the complainant's counsel, as soon as the accounting began, waived all examination of the defendants as to profits, and limited himself to the question of damages (Master's report, p. 31; see also Stipulation on p. 39). He undertook to prove, and did prove, in the view of the Master and Court, an established license fee, which would have been the exact measure of his damages in a court of law. This fact is material in determining whether or not his legal remedy was adequate (Parker *v.* Cotton and Woollen Co., 2 Black, 545).

It appears clearly, therefore, from the record of the case, that the plaintiff brought this suit merely for the purpose

of recovering from the defendants, who had sold infringing binders as an incident of their business as dealers in sewing machines, the established license fee which as he undertook to prove other sewing-machine companies had paid. It is clear from the whole testimony of the plaintiff that he worked his patent merely with the view of granting licenses to all applicants for a license fee (Wooster, p. 39, Int. 2), and that provided the defendants were solvent, he would have been quite willing to have them continue their infringement indefinitely if at the end he could exact from them just the license fee which he was in the habit of receiving from others as he says. There is no allegation in the bill and no suggestion in the proofs that the defendants were insolvent.

There is no allegation in the bill and no suggestion in the proofs that the complainant was a manufacturer of folding guides or binders, but the contrary clearly appears. The complainant described his occupation as "prosecuting infringers of patents" (p. 13, Cross-Int. 8). On p. 41, Cross-Int. 16, he testifies that as far as any use of the invention itself was concerned, he had only made what binders "I used in my business, but none for sale before or after I owned the patent," and that he used binders from the year 1860 to the year 1873 (p. 13, Int. 10), when it is to be presumed he went out of the ruffling business and devoted himself to "prosecuting infringers of patents." It appears clearly, therefore, from the facts in evidence, that the plaintiff had no purpose in suing these defendants except to recover from them his license fee, and that he did not require any relief from any court except judgment that the defendants should pay him money. He could not, therefore, have truly made any allegations in his bill to the effect that he did not have a

plain, adequate and complete remedy at law, for all the damages that he had suffered, even if the defendants were continuing or threatening to continue their infringement. It is obvious that he could not have needed an injunction to protect him during the last few days of the life of his patent from the infringement by the sale of a few infringing binders, on which, if sold, he could have collected his established royalty in a court of law.

See Sanders *v.* Logan, 2 Fish. Pat. Cas. 168.

If, therefore, his bill had contained the proper allegations to have authorized a court of equity to take jurisdiction, the facts developed in the record would have shown that those allegations were absolutely false, and that the plaintiff had a plain, adequate and complete remedy at law. Under these circumstances, it is submitted that on the facts proved in this case, and without reference to the pleadings, the bill should be dismissed on the principle laid down by the Supreme Court in the case of Dowell *v.* Mitchell, 105 U. S. 430, where the Court after finding that the —

"title to the property described in the mortgage, executed by the surviving partner in the name of the late firm, had never been held either in the late firm or in the surviving partner, but was in one of the deceased members of the firm at the time of his death, and that at the date of the mortgage the title of the mortgaged premises was in his heirs, and that therefore an alleged ground for the jurisdiction of a court of equity had not been established," proceed as follows: —

"When this fact was established by the evidence, the court below, sitting as a court of equity, had no jurisdiction to proceed in the cause. There was nothing on which it could act but the promissory notes, and to enforce their payment the complainants had a plain, adequate and complete rem-

edy at law. The rule is, that where a cause of action cognizable at law is entertained in equity on the ground of some equitable relief sought by the bill, which it turns out cannot, for defect of proof or other reason, be granted, the court is without jurisdiction to proceed further, and should dismiss the bill without prejudice."

See also Draper *v.* Hudson, 6 Fish. Pat. Cas. 327.

We submit that the failure of the complainant to show by his proofs any fact or circumstance from which it could be inferred that he had not a plain, adequate and complete remedy at law, and the affirmative proof that he had such a remedy at law, in this case, as in the case of Dowell *v.* Mitchell, make it proper that the bill should be dismissed without prejudice.

It is true that the Supreme Court, in Lake Shore R. Co. *v.* Car Brake Shoe Co., 110 U. S. 229, and the Consolidated Safety Valve Company *v.* Crosby Steam Gauge and Valve Co., 113 U. S. 157, have entertained bills on patents which had expired before the case was brought to final hearing; but the distinction between those cases and the present case is, that here at the time of the filing of the bill there was no ground for assuming jurisdiction, while in the cases last cited there was a proper case for a court of equity at the time the bill was filed. There can be no doubt that if at the time of the filing of the bill the facts and pleadings are such as to make the case cognizable by a court of equity, the mere accident of a lapse of time or a change in the situation of parties or of the facts, cannot oust the court of its jurisdiction; but where, on the other hand, as here, there never was any reason for going into a court of equity, and where the plaintiff at the time of filing of the bill had a plain,

adequate and complete remedy at law, the jurisdiction never attached, and the failure of the plaintiff to prove those facts which alone could have given him any standing in court originally must necessitate the dismissal of his bill.

The consideration of the proofs in this case is material only as establishing beyond question that as a fact the plaintiff did not at the time his bill was filed have the right to proceed in equity for the alleged infringement by these defendants, but irrespective of the proofs we submit that from a consideration of the bill itself and as a matter of pleading, it is clear that the complainant has a plain, adequate and complete remedy at law, that he makes out no case for the interposition of a court of equity, and that therefore the court in equity has no jurisdiction of his cause of action, and the bill should be dismissed by this court.

The case of Parker *v.* Cotton and Woollen Co., 2 Black, 545, was a suit to procure an injunction against an alleged nuisance. In it the Court states that the jurisdiction of a court of equity in cases of private nuisances is "governed by the same principles which animate and control it (the Court) in other cases where its aid may be invoked against a wrong-doer."

The summary by the Court of the conditions under which a court of equity will interfere to restain a nuisance relates to and bears directly upon the question of jurisdiction in other analogous cases of torts, of which it is submitted the tort of an infringer of Letters Patent is one. The Court say: —

"Many cases of private nuisance will sustain an action at law, which will not justify relief in equity. . . . A court of equity will interfere when the injury by the

wrongful act of the adverse party will be irreparable, as where the loss of health, the loss of trade, the destruction of the means of subsistence, or the ruin of the property, must ensue.

"It will also give its aid to prevent oppressive and interminable litigation or multiplicity of suits, or where the injury is of such a character that it could not be adequately compensated by damages at law, or is such as, from its continuance or permanent mischief, must occasion constantly recurring grievance, which cannot be prevented otherwise than by an injunction.

"A diminution of the value of the premises without irreparable injury is no ground for interference. . . . This jurisdiction is applied only where the right is clearly established, where no adequate compensation can be made in damages, and where delay itself would be wrong."

In that case the Court dismissed the bill, upon the pleadings, because the plaintiff

"does not allege either damages or irreparable injury or protracted litigation or a multiplicity of suits as the ground upon which he seeks relief in equity."

As to the facts, they say: —

"There is no warrant for such an averment. If he has been injured, his injury can be ascertained and fully repaired by damages in an action of law.

"A jury is the tribunal provided by law to determine the facts and to fix the amount, and they can best perform this duty. The fact that other proprietors have been paid bears upon this point. The appellant can have no standing in a court of equity until he has laid his foundation for relief. This objection is fatal to the case. We decide nothing else."

Unless a bill brought for the infringement of Letters Patent is to be regarded as having an independent equity, because of the nature of the illegal act complained of (and it

would seem that this proposition is quite inconsistent with the decision of Root *v.* The Railway Co., above cited), the principles of Parker *v.* Cotton and Woollen Co. must be applicable to the present case.

IV.

The Reissue.

Relief in equity cannot be based on the reissue in suit because of laches in applying for the reissue.

The bill of complaint alleges (p. 3) that the original patent—

"was inoperative by reason of a defective or insufficient specification; thereupon so finding, and the said error having arisen by inadvertency, accident and mistake, and without any fraudulent or deceptive intention on the part of said Douglass or your orator, the said Douglass and your orator surrendered said patent to the Commissioner of Patents, according to the statute of the United States in such case made and provided, and having amended the *specification of claim* in accordance with the decision of the said commissioner in the premises, the reissue in suit was granted."

The Act of 1870, Sect. 53, under which this reissue was granted, provided that a patent might be reissued whenever it was "inoperative or invalid by reason of a defective or insufficient specification, or by reason of the patentee claiming as his own invention or discovery more than he had a right to claim as new." The bill of complaint excludes the possibility that the patent was reissued for the latter reason, by alleging that it was reissued for the former reason. The bill of complaint also excludes the possibility that the

patent was reissued to correct the description of the devices shown in the patent, for it alleges that it was amended in the "specification of claim."

The amendment of a claim by a reissue, if it is not to disclaim a part of what is claimed in the original patent, can result in only three things: either the claim remains in substance the same as it was in the original patent, or a claim which covers something is substituted for a claim which covers nothing, or the claim in the reissued patent is made to cover more than the claim of the original patent. The first alternative is excluded by the allegation of the bill that the original patent was inoperative and invalid, and that the reissue was made operative by amending the claim. The second alternative is an enlargement of the claim as well as the third; in other words, the second alternative involves the conclusion that the reissue embodies a claim to which the public was not subjected in the original patent. The second alternative is therefore open to the same objection, on the ground of laches, as the third alternative is. Every objection based upon the prejudice which may result to the rights of the public by reason of laches, which could be urged against substituting a claim for a broad invention in place of an original claim for a narrow invention, exists against the substituting for an original claim which was meaningless and therefore claimed nothing, of a claim for a substantial invention.

The application for the reissue was made more than fourteen years after the original patent issued.

The enlargement of a claim is only permissible where the mistake is one "such as a court of chancery, in cases within

its ordinary jurisdiction, would correct," and "there can be no valid excuse for delay in asking to have it corrected."

Miller *v.* Brass Co., 104 U. S. 355.

"In reference to reissues made for the purpose of enlarging the scope of the patent, the rule of laches should be strictly applied."

Ibid. 356.

"But since the purpose of the statute undoubtedly was to provide that kind of relief which courts of equity have always given in cases of clear accident and mistake in the drawing up of written instruments, it may fairly be inferred that a mistake in a patent, whereby the claim is made too narrow, is within the equity if not within the words of the statute. Yet no court of equity, considering all the interests involved, would ever grant relief in such a case without due diligence and promptness on the part of the patentee in seeking to have the error corrected. It is just one of those cases in which laches and unnecessary delay would be held to be a bar to such relief."

Mahn *v.* Harwood, 112 U. S. 362.

The rule in courts of equity, cited with approval in Brown *v.* County Buena Vista, 95 U. S. 160, is as follows: —

"Nothing can call forth" [a court of equity] "into activity but conscience, good faith and reasonable diligence. Where these are wanting, the court is passive and does nothing. Laches and neglect are always discountenanced, and therefore from the beginning of this jurisdiction there was always a limitation of suits in this court."

If the bill in this case alleged that the original patent was inoperative because some claim in the patent was meaningless, and that fourteen years after the issue of the original

patent it was surrendered for the purpose of amending this claim, and that a new claim was substituted for it which the complainant asked to have enforced, the allegations would be the equivalent of those which are contained in the bill, viewed in the most favorable light for the complainant; and although the respondent had not set up the laches of the defendant as a defence, yet no evidence which complainant could introduce could exclude the presumption of laches arising from his great delay in applying for the reissue, and the Court would decree that he could not maintain a bill upon this reissue.

Miller *v.* Brass Co., 104 U. S. 355.
Mahn *v.* Harwood, 112 U. S. 362.

If the bill had only alleged that an original patent had been surrendered and a reissue had thereupon been granted in accordance with law, the presumption against the validity of the reissue might not have arisen, because the patent might have been surrendered to correct a defective description without altering the claim, and it might have been surrendered to narrow the claim, and it would have lain in the discretion of the Commissioner of Patents to determine that the mistake of the patentee which he sought to correct was made by inadvertence, etc., and to determine whether the reissue was properly framed to correct the mistake; but for the purpose of expanding a claim, the commissioner has no authority to grant a reissue after the lapse of fourteen years, and his action in such a case is open to review in this court.

"Where it is evident that the commissioner under a misconception of the law has exceeded his authority in granting or reissuing a patent, there is no sound principle to prevent a party sued for its infringement from availing himself of

the illegality independently of any statutory permission so to do.

"The granting of such reissues after the lapse of long periods of time is an abuse of the power and is founded upon a total misconception of the law. . . . The rights of the public here intervene, which are totally inconsistent with such tardy reissues; and the great opportunity and temptation to commit fraud after any considerable lapse of time, when the circumstances of the original application have passed out of mind and the monopoly has proved to be of great value, make it imperative on the courts as a dictate of justice and public policy to hold the patentees strictly to the rule of reasonable diligence in making application for this kind of reissues.

"We repeat, then, if a patentee has not claimed as much as he is entitled to claim, he is bound to discover the defect in reasonable time or he loses all right to a reissue; and if the Commissioner of Patents, after the lapse of such reasonable time, undertakes to grant a reissue for the purpose of correcting the supposed mistake, he exceeds his power and acts under a mistaken view of the law; and the Court, seeing this, has a right, and it is its duty, to declare the reissue *pro tanto* void in any suit founded upon it."

Mahn *v.* Harwood, 112 U. S. 358, 360, 362.

In the case from which the above passages are quoted it was held that two years was the limit of time within which a reissue to expand a claim might be granted, and there the patent was held invalid because four years had elapsed; and the Court said further (page 363): —

"We can see no possible excuse, and none has been attempted to be shown, for allowing the patent to stand the length of time it did without any attempt to have it amended. The reissue was made against law apparent on its face, and nothing is shown in the record to remove this illegality."

From the principles laid down in the foregoing passages from the opinion of this court, the conclusion results that

there can be *no* excuse for a delay of fourteen years in applying for a reissue to expand a claim, which can avail to make the reissue valid, or, at least, the patentee must affirmatively prove such an excuse, and if he does not prove it his reissue cannot be sustained.

It is an elementary rule in equity pleading that everything which it is necessary for the complainant to prove, to sustain his case, must be stated in the bill of complaint.

Story, Eq. Pl., Sect. 23.

This being the case, there is no escape from the conclusion that this complainant, having alleged in substance that after a lapse of fourteen years, he surrendered his original patent to amend his claim so as to make his patent valid, and therefore so as to obtain rights against the public which his original patent did not claim, must fail to maintain his case, because if an excuse for the extraordinary delay of fourteen years is possible, he has not alleged such an excuse.

It is not alone laches in bringing suit which will afford a ground for refusing relief, for laches of the complainant in any other proceeding which is the basis of his suit, is a ground for refusing relief, as has been repeatedly held by this Court, not only with respect to proceedings for reissuing patents, but also other proceedings.

Brown *v.* County of Buena Vista, 95 U. S. 157.

The bill of complaint must exclude the presumption of laches which arises from the lapse of time in bringing suit, and for this reason the defect can be taken advantage of by demurrer.

National Bank *v.* Carpenter, 101 U. S. 567.

See also

Maxwell *v.* Kennedy, 8 Howard, 210.
Walker *v.* Jeffreys, 1 Hare, 348.
Tatam *v.* Williams, 3 Hare, 347.
B. & M. Railroad *v.* Bartlett, 10 Gray, 384.
Inhabitants of Plymouth *v.* Russell Mills, 7 Allen, 438.

There is no reason why the same rule should not be applied where the laches which must be presumed upon the allegations of the bill has occurred in any other proceeding which is the foundation of the suit in which relief is sought.

Diligence is one of the foundations of a complainant's right to relief in equity.

The excuse for laches is a matter peculiarly within the knowledge of the complainant. It is not in the nature of things within the knowledge of the defendant, and it is not properly a matter for him to set up.

The case of Thomson *v.* Wooster, 114 U. S. 104, ought not to be taken as conclusive of this case upon this point. The report of that case does not state that the bill alleged that the patent was surrendered because of an insufficient and defective specification, or that the patentee reissued only to amend his claim, and apparently the rule of law that the bill of complaint must repel the presumption of laches was not brought to the attention of the Court.

The suggestion in the opinion of the Court (p. 115) that the reissue might properly have been granted to claim parts of the invention which had not been claimed before, or to disclaim any part of that which was claimed in the original, and that the Court could not say as a mere matter of law that this might not have been the case, applied only to the assignment

of error based upon the supposed inconsistency in the allegations of the bill that the original patent was valid and operative, and that the reissue was granted because of invalidity in inoperativeness, and it was not addressed to the question whether any of these reasons would warrant a reissue after the lapse of fourteen years.

V.

Damages.

The Master found that the plaintiff had proved an established license fee of ten cents for each guide sold, and reported that the complainant's damages should be estimated on that basis (Master's report, record, pp. 30 and 65). The fifth and sixth exceptions of the defendants to that report are as follows (record, p. 30) : —

Fifth Exception. — For that the said Master, in the final summing up his report, stated: "I accordingly find and report that complainant had an established license fee of ten cents for each guide purchased or disposed of by the defendants"; whereas the said Master should have stated that complainant had failed to prove an established fee for each guide purchased or disposed of by the defendants, and that complainant is, therefore, entitled to only nominal damages.

Sixth Exception. — For that the said Master, in his report, stated that complainant's damages should be "fifteen hundred dollars." Whereas the said Master should have stated that "complainant is entitled to damages in the nominal sum of six cents."

It is submitted that the Master erred in finding that there was an established license fee which should be the measure

of damages in this case, and that he should have awarded nominal damages only against the defendants.

The complainant testifies that his "standard license fee" was ten cents (ans. 3, p. 40), and that he granted licenses to five companies named by him (ans. 4, p. 40). He produces three of these so-called licenses (p. 61). That to the Wilcox & Gibbs Sewing Machine Company is not signed by him (p. 71); that to the Victor Sewing Machine (p. 68) is signed by his attorney (p. 64); and that to the Domestic Sewing Machine is not a license, but is a release of past damages.

All the decisions say that it is only an *established* license fee which can be taken as furnishing a measure of damages, and it cannot be doubted that the rule is as stated in Walker on Patents, Sect. 557, that a license fee can only be established by payment of it. The mere granting of licenses under which payment is never made, cannot establish a license fee. Neither can a few instances of payment establish such a license fee against a defendant when a less fee has been received by the patentee in many other instance.

It appears that in one instance a shop right was granted for twenty-five dollars (ans. 13, p. 41; ans. 22, p. 42), and it further appears that the owner of the patent settled a great number of claims for infringement (ans. 35, 36, p. 46; ans. 40, p. 47; ans. 55, 56, p. 49; ans. 66, p. 50; ans. 75, 75½, p. 50); and, as far as the evidence goes, that these settlements were made without any assurance on the part of the owner of the patent that he received what he calls his established license fee (ans. 41, p. 47; ans. 61, p. 49; ans. 67, p. 50; ans. 79, 80, p. 51; ans. 85, 86, p. 51; ans. 92, p. 51; ans. 99, p. 52; ans. 105, p. 52; ans. 110, p. 52; ans.

114, p. 53; ans. 115, p. 53). At least this is a fair inference from the fact that the owner of the patent took the unsupported statements of the infringers of the number of binders they had made as a basis for settlement.

As against these many cases where the license fee was not taken as the measure of damages by the owner of the patent in settling suits against infringers, there should be at least very copious and exact proof that upon some other series of licenses, payments of what he calls his standard license fee had been made to him in the regular course of business, but the evidence introduced by the complainant falls far short of this. It is as follows: —

The complainant produced the licenses to the Wilcox & Gibbs and Victor Sewing Machine Company (p. 61), printed (pp. 66–71), and testified concerning the other two licenses as follows (p. 62): —

"*Q.* Were the licenses you granted to the Palmer Manufacturing Company and the Grover & Baker Sewing Machine Company, each one lithographic copies like these?

A. Yes.

Q. Was the rate of license fee charged the same?

A. Yes.

Q. Did the said companies pay said license fee as stipulated for in said license?

[*Objected to as incompetent and not properly shown to be evidence.*]

A. They did."

The last question in this quotation was egregiously leading, and if the objection taken on the record is suitably framed to avail the defendants of the objection that the question is leading, the question and answer ought to be stricken from the record, and the respondents move to strike it from the record. But if they must stand, they prove nothing

beyond the payment of ten cents for a single binder under each license, for it is to be observed that in neither license does the licensee covenant to make any number of the binders or guides, and there is no other proof that either of them did make any binders. This argument is founded upon the assumption that the last question above quoted, in the words "the said companies," refers to the Palmer Manufacturing Company and the Grover & Baker Sewing Machine Company. This is certainly the literal construction of the question.

The complainant produced in direct examination two returns from the Victor Sewing Machine Company and one from the Wilcox & Gibbs Company, which were made under the licenses to them (pp. 65, 72–76), and this was all the evidence which he offered as proof that a license fee was established under these licenses; but the returns themselves were not evidence as against the respondents to prove that any binders were made or paid for, and it is not stated in the returns that a license fee was paid for the binders returned in them. A patentee might spread licenses broadcast for the purpose of establishing a rule of damages, if the mere granting of licenses could establish such a rule, and yet he might never receive, or expect to receive, a license fee under them.

After the cross examination of the complainant upon the subject of these licenses was concluded, the following question was put to him by his counsel in redirect examination (p. 64):—

"*Q.* You were asked in question 27 (p. 64) if under those licenses returns in writing were made to you of the number and description of binders. Have you with you, and if so, will you produce any of such returns?"

In reply to this question, among other things, the witness said, referring to the returns from the Victor Sewing Ma-

chine Company and the Wilcox & Gibbs Sewing Machine Company, which he had produced: —

"The folding guides returned in said exhibits were paid for as provided in the licenses at the rate of ten cents for each folding guide; other returns were made by said companies covering the whole period for which they were licensed, ten cents being paid for each folding guide in every instance."

Respondents' counsel objected to this answer as "irresponsive," and this objection was a proper one, because the question was not directed to any matter which had been opened in cross examination (Greenleaf on Evidence, Sect. 467), and it was therefore inadmissible; and the respondents, under the rule laid down in Gould *v.* Day, 94 U. S. 114, move to strike the part quoted out of the record. If this is done, there is no evidence left in the record that anything was paid as a royalty fee on the license to the Victor Sewing Machine Company and the Wilcox & Gibbs Sewing Machine Company, and the complainant is left with his meagre proof (if it is allowed to remain in the record) that the license fee was paid for one binder under the license to the Palmer Manufacturing Company, and for one binder under the license to the Grover & Baker Company, as against the proof that no regard was paid to this license fee in the great number of settlements for infringement which the complainant made with others. This is not the reasonably definite proof of damages which this court has hitherto required.

New York *v.* Ransom, 23 Howard, 487.

T. L. LIVERMORE,
FREDERICK P. FISH,
Of Counsel for Appellants.

Supreme Court of the United States.

No. 31. October Term, 1886.

Abbie B. Clark, executrix, *et al.*,
Appellants,

vs.

George H. Wooster,
Appellee.

Statement.

This is a suit in equity for the infringement of the re-issue of the patent granted to the complainant December 10th, 1872, for an improvement in folding guides.

The bill charges the grant of the original patent on October 5th, 1858, its extension for seven years from October 5th, 1872, its re-issue December 10th, 1872, to the complainant as assignee, and charges that the defendants have infringed the patent by making and selling folding guides in the infringement thereof; that the defendants have derived "*and are still deriving and receiving* from such infringement great gains and profits," of the amount of which the complainant is ignorant, but of which he prays *that the defendant may be required to make a disclosure.*

The bill further alleges that the complainant has been greatly injured "and is now *hindered* from put-

" ting the said discovery in successful operation," and "*is deprived and prevented from receiving* the gains " to which he is lawfully entitled." (p. 4, f. 8.)

The bill prays for an answer and for an accounting and assessment of damages (f. 8), and for a final and also for a provisional or preliminary injunction (f. 9.)

The defendant filed an answer (p. 6, f. 11,) denying the novelty of the invention, the validity of the reissue, and the infringment of the patent.

Replication was duly filed (p. 11, f. 21.)

Proofs were taken for complainant showing that on April 7th, 1879, the defendant had sold certain binders, known as the "Goodrich Binder," to a witness, and admitted that they had been accustomed to sell the same or furnish them with sewing machines (p. 12, f. 22 and 23.)

The complainant was called as a witness, and proved that these guides were an infringment of the patent (p. 13, f. 24 and 25.)

The causes came on for hearing June 13th, 1881, (p. 27.)

It appears by the opinion of the Court (p. 27, f. 48,) that the defendants took evidence in the cause, but *not within the time limited by the rules* for the taking of testimony, and that such evidence was stricken out upon motion.

The evidence so taken, irregularly, *has not been made a part of the record.*

The Court (Blatchford, J.) held that the proof of infringement and of title to the patent was sufficient and ordered a decree (p. 27, f. 48).

The decree dated June 13th, 1881, referred the cause to a Master, to ascertain the profits and damages.

On the proceedings before the Master some evidence having been taken (p. 32-39,) the defendants

(to save time and expense) stipulated that they had purchased and disposed of fifteen thousand infringing folding guides (p. 39, f. 74).

The complainant proved that he had an established license fee for the sale of such folding guides of ten cents per guide (p. 4, f. 75).

The Master reported (p. 30-32.) "That complainant had an established fee of ten cents for each "guide purchased or disposed of by the defendants, "and such fee must be the measure for complainant's "damages."

He accordingly reported that the complainant was entitled to recover the sum of fifteen hundred dollars, with interest from October 5, 1879, the day when the patent expired.

* *

FIRST POINT. *The Circuit Court sitting in Equity had jurisdiction of this case.*

This subject involves the consideration of the first assignment of error.

The question is (though it has never been adverted to, either in the pleadings or by argument in the Court below,) whether the Circuit Court sitting in Equity had jurisdiction of this suit, by reason of the fact that the bil was filed and process served on September 20th, 1879, and the patent expired (p. 1, f. 2, and p. 6, f. 10,) fifteen days later, viz., on the 5th day of October, 1879.

We submit, however, that there can be no doubt under the circumstances of this case, that the Court of Equity had jurisdiction.

The bill alleges that the complainant had granted large number of licenses (not to *every one*, but) "to

"those persons whose business has *not competed* "*seriously with his own*, or that in which he has been "interested;" that he has been engaged in large numbers of litigations in regard to the validity of the patent (p. 3, f. 6,) and that though large numbers of persons had submitted to and taken licenses under the patent (*id.*) and though the "public have generally acquiesced" in the complainant's rights (f. 7), yet that by the "actions of the defendants and others acting in concert with them," large gains and profits have been realized by the defendants," and the complainant has been and "*is now prevented and hindered* from the use of his invention." (f. 7.)

The bill goes on subsequently in greater detail to allege the infringement by the defendants, and to say "that the defendants have derived and received and "*are still* deriving and receiving from such use great "gains and profits, but to what amount *your orator* "*is ignorant* and can not set forth, but your orator "prays that the defendants may be *required to make* "*a disclosure* of all such gains and profits." (f. 8.)

The bill further specifically alleges "that the defendants though *requested to desist*," and to pay over their unlawful profits, "*refused so to do*" and that by reason of the acts of the defendants "your orator *is* "and has been greatly injured, *and is now* hindered "from putting the said invention or discovery into "succesful operation." (f. 8.)

The bill, therefore, distinctly and repeatedly alleges a *present* and *continuing* wrong, and one from which the defendants have "refused" to desist.

The rule seems to be well settled that an infringement *once* committed is sufficient to entitle a patentee to an injunction, even though the infringer *promises not* to repeat his offence.

Jenkins vs. *Greenwald*, 2 Fish. P. C. 38.
Potter vs. *Crowell*, *id.* 112.

Losh vs. *Hague*, Web. P. C. 200.
Woodworth vs. *Wilson*, 4 How. 712.

How much more is this remedy appropriate when it is alleged that defendant has *refused* to desist.

The bill prays as relief against the defendant—(1) "a disclosure of all such gains and profits"; (2) an account of profits and assessment of damages; (3) a perpetual injunction; (4) *a preliminary* injunction (ff. 8 and 9.)

The rules of the Circuit Court for the Southern District of New York allow a preliminary injunction to be applied for on four days' notice (rule 36). There was, therefore, ample time within which to obtain a preliminary injunction before the expiration of the patent.

It does not appear from the record whether or not such an injunction was moved for or obtained.

In *American Cotton Tie Co.* vs. *Simmons*, 106 U. S. 89, and in *Lake Shore* vs. *Car-Brake Shoe Company*, 110 U. S. 229, and in *Consolidated Valve Company* vs. *Crosby Valve Company*, 113 U. S. 157, this Court entertained suits in equity and granted decrees for accounts, though the patents had long expired.

In the second named case the bill was filed "less "than four months before the expiration of the "patent," and the answer was only filed "two days before the patent expired," (p. 229.)

In *Wooster* vs. *Thompson*, 104 U. S. 104, this Court affirmed a decree, which, on the present patent, granted an injunction, and which was filed August 2, 1879, only two months andthree days before the expiration.

The Circuit Courts have followed the same practice.

Gottfreid vs. *Moerlein*, 14 Fed. Rep. 170, (Baxter, C. J).

M'Millan vs. *Saint Louis Co.*, 18 Fed Rep. 261, (Treat, J.)

New York Belting Co. vs. *Magowan*, 27 Fed. Rep. 111, (Nixon, J.)

Adams vs. *Bridgewater Iron Company*, 26 Fed. Rep. 325, (Colt, J.)

Dick vs. *Struthers*, 25 Fed. Rep. 103, (Acheson, J.)

Toledo Mower and Reaper Co. vs. *Johnson Harvester Co.*, 23 Blatch. 132, (Blatchford, J.)

Rumford Chemical Works vs. *Vice*, 14 Blatch. 179, (Benedict, J.)

Adams vs. *Howard*, 19 Fed. Rep. 317, (Wallace, J.)

Sayles vs. *Dubuque Co.*, 5 Dillon, 562, (Dillon and Love, J. J.)

Jones vs. *Barker*, 11 Fed. Rep. 597, (Lowell, C. J.)

Reay vs. *Raynor*, 19 Fed. Rep. 308, (Wheeler, J.)

In several of the above cases, where jurisdiction in equity was sustained, the patent expired very shortly after the bill filed. In *Adams* vs. *Bridgewater Co.*, only 23 days after the bill was filed; in *Rumford Chemical Works* vs. *Vice*, only 20 days after the bill was filed; in *Dick* vs. *Struthers*, only 42 days after the bill was filed; in *Toledo Mower Co.* vs. *Johnson Co.*, only 26 days after the bill was filed; in *Reay* vs. *Raynor*, only 73 days after the bill was filed.

On the other hand where bills have been filed so shortly before the expiration of the patent that *the rules of the Court in which filed did not give sufficient time for application* for a preliminary injunction, before such expiration, jurisdiction has been denied.

So in *Burdell* vs. *Comstock*, 15 Fed. Rep. 395, (Baxter, J.) where a patent expired five days after filing bill; and in *Davis* vs. *Smith*, 19 Fed. Rep. 823, where the bill was filed one day before the patent expired; and in *Mershon* vs. *J. F. Plase Furnace Company*, 23 Blatch. 329, where the bill was filed four days before the patent expired, and the rules of the Court required eight days notice of motion for injunction.

In England jurisdiction in similar cases has been *sustained* in *Crossley* v. *Derby Gas Light Co.*, 4 Law J. Ch. (N. S.) 25, where the bill was filed *eleven* days before the patent expired; and was denied in *Betts* vs. *Gallais*, Law Rep. 10 Eq. 329, where the bill was filed, "so immediately before the expiration of "a patent as to render it *impossible to have obtained* "*an interlocutory injunction.*"

In *Rumford Chemical Works* vs. *Vice*, 14 Blatch. 179, allegations in the bill showing that the patentee had been, previous to filing it, (only 20 days before the patent expired) engaged in numerous and continuous litigations were held material in supporting the jurisdiction in equity, and the same ground of jurisdiction was adverted to in England in *Smith* vs. *London Railway Company*, Kay's Reports, 408.

In the present case the evidence, as well as the bill, shows that the patent had been frequently litigated "and bitterly contested," (p. 16 x-Q 37 and p. 17, x-Q 45,) and the reports of the Courts fully bear out this statement.

We submit, therefore, that where it appears that the patentee had been during the life of his patent engaged in numerous, continuous and bitter contests over its validity, and the bill alleges that the acts of the defendant and others acting in concert with him are still persisted in and still interfere with the en-

joyment of the invention by the patentee, and the bill is filed within sufficient time to apply for a preliminary injunction within the rules of the Court (whether such injunction be in fact applied for or not), and the bill on its face prays for such an injunction, and for a discovery as well as for an account, that jurisdiction in Equity is clearly sustained.

The allegations of the bill are to be liberally construed, for it will be remembered that, prior to the decision of this Court in *Root* vs. *Railway Co.*, 105 U. S. 189 (decided March 13, 1882) the jurisdiction of the Circuit Court sitting in equity even in cases brought upon *expired* patents was almost universally sustained.

Perry vs. *Corning*, 7 Blatch. 195.
Gordon vs. *Anthony*, 16 Blatch. 234.
Atwood vs. *Portland Co.*, 10 F. R. 283.
McMillan vs. *Barclay*, 5 Fish. 189.
Nevins vs. *Johnson*, 3 Blatch. 80.
Perry vs. *Corning*, 6 Blatch. 134.

The present bill was filed nearly three years prior to the decision in *Root* vs. *Railway Co.*, and as no Court had, up to that time, pointed out any danger resulting from proceedings in equity, and as the patent at the time of filing the bill had not expired, and as an injunction was prayed for, the bill naturally contained only those allegations which were sufficient to make a case for equitable cognizance in an ordinary instance of infringement, when the bill was filed during the term of the patent.

The Court will recognize the frame of the present bill as one drafted in the usual form, and as containing all the allegations usually made in bills of this character.

If (as claimed on appellants brief, p. 8-9.) the present bill contains nothing more than an allegation of past infringement of the patent, and if the present bill would not, on that account, *at any period* of the life of the patent, be cognizable in equity (as seems to be claimed on p. 25 of the appellant's brief) then it will be equally true that by far the larger proportion of all the equity suits which have been sustained by the Circuit Courts, and by this Court, have been in fact cases over which the Courts had no jurisdiction upon the face of the bills, and it must be inferred that this lack of jurisdiction has been persistently overlooked by nearly all the Courts of the United States.

Indeed, inasmuch as the present bill is, with the exception of the names of the parties defendant, identical with the bill in the late case of *Wooster* vs. *Thompson*, (114 U. S. 104,) it must be assumed that this Court in that case, though called upon by the nature of the argument to critically examine into the allegations of the bill, yet wholly overlooked the absence of jurisdiction, and that the same defect was also overlooked by the eminent and diligent counsel for the defendants. We do not feel at liberty to draw this inference, buton the contrary insist that *Wooster* vs. *Thompson* in which a decreewas affirmed, granting an injunction ~~was filed~~ which was filed on August 2, 1879, (only 48 days before the present bill was filed) is a persuasive precedent to the present case.

The appellants are, however, as already pointed out, very far from correctly interpreting the allegations of the bill, and are quite in error when they allege (as they do on p. 27 of their brief), that "there is no allegation of continuing infringement; no allegation that the defendants threaten or intend to continue their infringement."

If express allegations that the defendants have infringed by making, using and selling the invention and from such use are "still deriving" advantage, and have "refused" to desist, be not allegations of continued infringement, it is by reason of some inherent imperfection in our language, for which the appellee should not be made accountable.

Upon page 19 of appellant's brief there seems to be a statement of what allegations a complainant *should make* in order *to make his bill cognizable in equity* viz., "He must, at least, allege in his bill, that the "trespass is a continuing one. In the case of Let- "ters Patent, he should, at least, allege that the de- "fendant is still infringing, and threatens and intends "to infringe."

These conditions which the appellant, by implication, at least, admits to be sufficient to make out a case for equitable interference, are found in the present bill.

But the appellants contend that not only does the bill fail to make the proper allegations, but that the *proofs* show that such proper allegations could not truthfully have been made; and *Dowell* vs. *Mitchell*, 105 U. S. 433, is cited, in which it was said that when a court of equity entertains a suit for the sake of certain equitable relief, and it turns out that such relief, cannot, for the defect of proof or other reason, be granted that the Court is without jurisdiction to proceed further.

This rule is hardly applicable to cases of the present nature, for if taken without qualifications it would lead to the dismissal of all bills for infringement of patents in which the hearing happened to be delayed until after the term of the patent had expired, or in which the equitable remedy of recovery of profits became impossible owing to the difficulty of ascer-

taining from a reluctant defendant the items of his unlawful profits, or owing to the fact that the defendant had conducted his infringing business so improvidently that he had realized no profit. Yet this Court has repeatedly adverted to the fact that the legal remedy of "damages" only, may in such cases be recovered in equity, and are allowed by a statute, the constitutionality of which has not been questioned.

Birdsall vs. *Cooledge*, 93 U. S. 64.
Root vs. *Railway Co.*, 105 U. S. 189.

But in the present case the proofs show that the complainant's conduct in coming into equity was fully justified; and persuasive evidence is found tending to show that any remedy which he could obtain at law would have been inadequate, and that the interposition of equity was quite essential to his protection, and to avoid multiplicity of suits.

It has been already noted that the bill alleges (p. 3, f. 6) that the complainant had not only put the invention largely in use, but had granted licenses upon the payment of established license fees, not, however, to everybody "but to those persons whose "business has not competed seriously with his own, 'or that is in which he has been interested."

By the proofs it appears (p. 54, x-Q. 124) that the complainant had two separate classes of licenses, and was accustomed to grant licenses to two separate classes of people whose business in the use of the invention did not seriously interfere with his own.

The first and most important class, and that from which it is to be inferred that he realized by far the larger revenue, was from *users* of the patented guide "for manufacturers' use." For such use, by manufacturers, he was accustomed to charge annual license fees based on the number of folding guides

used, the smallest rate being fifty dollars for a single guide for one year. The high utility of the guides for manufacturing purposes has been established by this Court in *Wooster* vs. *Thompson*, in which a decree for upwards of $6000 *profits*, derived by a manufacturing user, was affirmed.

The second class of licenses granted by Mr. Wooster were to dealers, principally sewing machine machine companies who sold the guides with their machines for family use. To these Mr. Wooster was accustomed to grant licenses at the rate of "ten cents for each binder." (Id.)

Inasmuch, however, as he was here confronted with a serious difficulty, to wit, that if a guide was once sold after payment of the ten cents royalty, without notice of restriction in its use, it might be taken to a manufactory and there used in such a way as to deprive him of his annual royalty of $50, he required all his licensees to give notice of the restriction in the use of the guides.

Accordingly it will be found that in all Mr. Wooster's licenses which permitted the *sale* of the guides permission was given to sell the same "*for family use only, and not in any business or manufacturing establishment without the written permission* of said George H. Wooster" (p. 67. f. 126) and that each guide must bear stamped upon it, "patented " October 5, 1856, re-issued December 10, 1872, " *licensed for family use only*,' " (p. 68, f. 129).

And for abundant caution it was further provided " that no folding guide shall be, and is hereby licens- " ed unless it shall be marked or stamped as afore- " said, and if such mark or stamp shall be effaced, " then such shall license *ipso facto* cease." (id)

The validity of restrictive notices of this kind came before this Court in *American Cotton Tie Co.* vs. *Simmons*, 106 U. S. p. 89, but was not expressly passed upon. There seems to be sound reason for upholding the effectiveness of such restricted licen-

ses, and at all events Mr. Wooster was entitled to protection of a Court of Equity *in endeavoring to protect his mode of doing business under his patent.*

It will now be perceived that it was specially important to Mr. Wooster to absolutely prohibit the sale of the folding guides in question by *unlicensed* dealers, in any such way that they could come into the hands of manufacturers without notice, and it was also highly important that he should not be subjected to a multiplicity of suits to recover in each instance $50 (or a small multiple of it) if he could, by injunction, restrain the scattering of the infringing guides in question by unlicensed manufacturers, and could confine the disposal of those guides to those whose licenses obliged them to sell only to family users, and to mark their guides in such a way as to give notice of the restriction in their use, and that the remedy in damages which he ultimately had, of charging upon the defendants only the *lowest possible* royalty, which he exacted in any instance, was grossly "inadequate."

Now the defendants were a firm of dealers in sewing machines (p. 37, q. 13) and it was their practice, apparently, to give away with each sewing machine sold a set of attachments including one of the infringing guides (p. x, q. 6). The stipulation filed, upon the accounting before the Master, shows that the defendants had purchased and disposed of fifteen thousand infringing guides.

No dates of sale are given, but if any implication is to be drawn from the only instances of sale proved, (p. 36, f. 69) it would seem that all this infringement took place during the last few months of the life of the patent.

Here then was a case of the putting upon the market, and probably, shortly before the expiration of the patent, of fifteen thousand infringing guides, the

disposal of which, without any notice of restriction as to their use, and of the liability that they might carry into manufacturing establishments, involved what may fairly be termed a multiplicity of suits.

Nor would the fact that such use might take place even after the expiration of the patent, destroy the complainants claim; for the practice of extending an injunction after the expiration of the patent, to articles made previously, which was followed in *Crossly* vs. *Beverly*, Webs. P. C. 119, was mentioned without disapproval by this Court in *Root* vs. *Railway Co.* (105 U S. 210), and it has been held, by the Circuit Courts that the use of infringing articles, unlawfully made during the term of the patent may be restrained even after the patent has expired.

The illegality attaches to the thing itself, and the use of that very thing may be restrained at any time.

American Diamond Co. vs. *Sheldon*, 18 Blatch. 50.
American Diamond Co. vs. *Marble Co.*, 18 Blatch. 146.
Smith vs. *London Railway Co.*, Kay, 408.
Toledo Co. vs. *Johnson Co.*, 23 Blatch. 334.

Jurisdiction in equity was therefore, properly invoked. The bill might have been much more ample and specific than it was, and if all the facts were to be stated which are either directly proved or fairly to to be inferred from the proof, the more general allegations of the bill could have been made to call more emphatically for the equitable remedy which was prayed for.

The suggestion (Brief, p. 26) that the allegation of the bill charging the making, use or sale of "one or more folding guides" makes out "*too trivial*" a case of

interference to be entertained in equity, seems to be answered by the statement that such is the usual mode of charging infringement when the extent is unknown, (as is here alleged) (f. 8) and that such charge is supplemented by the further allegation that from such infringement, though its amount is unknown, the defendants have derived "great gains and profits."

It is to be noted also that the defendant upon the hearing before the Master, admitted infringement to the extent of at least *fifteen thousand* guides.

Surely this was not "trivial," especially when the nature of the interference with the complainant's revenues, already explained, be taken into account.

Under the conditions of the present case, we submit that the complainant was as much entitled to the efficient protection of the Court to prevent the scattering of infringing guides during the last ten days of the life of his patent as at any time before.

It only remains to refer to some of the cases cited by the appellants.

In discussing the decision of Mr. Justice Blatchford in *Toledo Co., vs. Johnson Co.*, (23 Blatchford, p. 332,) in which the bill was filed only 26 days before the patent expired, the appellants state that the reference of the Court to the fact that "there was time "to give notice of a motion for a provisional injunc- "tion and to obtain it" 'was *merely incidental* to the "general argument.'"

It does not seem to us that such was the case. That fact appears to have been stated as the controlling consideration, the other facts as additional considerations.

The case of *Neilson* vs. *Thompson*. 1 Webster's P. C. p. 293, cited upon the point of alleged failure of jurisdiction (brief, p. 21) does not bear upon that point.

The remarks of the Court were addressed *solely* to the question of *discretion* in granting an injunction in a case where the Court had jurisdiction.

The same is true of the citation from *Rumford Chemical Company* vs. *Hecker*, 2 B. & A., 386 (brief p. 21). In that case an injunction was actually granted, and the remarks of the Court are not applicable to the question of jurisdiction.

The case of *Saunders* vs. *Logan* 2 Fish, P. C. 168 is cited as an indication that Judge Greer *would have decided* against the jurisdiction in equity, but a reference to the case shows that the learned Judge said:

"There has been no objection interposed to the "jurisdiction of the Court in this case, *nor do I wish* "*to be considered as deciding that the Court has no* "*jurisdiction.*"

The bill was dismissed on proof of *prior use.*

The remarks quoted from *Potter* vs. *Crowell*, 3 Fisher, 122 (brief p. 25) are mere side remarks. An injunction was actually granted in the case.

The argument (brief p. 17) that jurisdiction can not depend upon the question whether a preliminary injunction could or could not be obtained before the expiration of the patent, because the time of giving notice of such a motion varies in the different circuits seems to be opposed to the whole current of decisions already quoted. That feature of the case has been universally mentioned as the principal consideration.

It is obvious that the present bill was filed in sufficient time to obtain an injunction in the *forum* where it was brought, and the fact that in other tribunals that time might or might not have been regarded as sufficient, under ordinary circumstances, is entitled to no weight. If in any case more than ordinary expedition should be required, the Court could shorten the time. They have only refused jurisdiction in cases where the length of time was obvi-

ously so short as to render the utility of an injunction impossible.

Such was not the case in the present instance.

SECOND POINT. *The validity of the reissue cannot be attacked.*

The suit was brought upon the reissued patent No. 5180, named in the bill, *which was granted directly to the complainant.*

The original patent was not offered in evidence and is not on the record.

The complainant qualified himself as to his familiarity with the invention in question, (p. 15, q. 9-12), and proved that in his opinion the defendants guides infringed the second, fourth and fifth claims (p. 14, q. 13.)

The guides in question were also before the Circuit Court (though they are not here produced) and were in themselves evidence of infringement.

No evidence was offered by the defendants to contradict the complainant's proof, and the opinion of the Court (p. 27, f. 28,) is unassailable.

This assignment of error needs little attention. The bill in this case is framed in the identical words to that already before this Court in *Thompson* vs. *Wooster.*

The affirmative allegations of the bill bring the application for re-issue within the terms of the statute, and are supported in proof by the due offer in evidence of the re-issue patent in suit.

The offer of that patent carries with it the presumption of law and fact that the commissioner acted lawfully and within his jurisdiction, unless it be apparent upon the face of the papers that he did not.

The fanciful argument (appellant's brief, p. 35.)

based on the phraseology of the bill (record, p. 3) has no pertinency.

The bill alleges that the original Letters Patent were inoperative by reason of a defective or insufficient specification, and that the error arose by inadvertence, accident or mistake, and that the specification of claim of the original was amended, in the re-issue, in accordance with the decision of the commissioner in the premises.

This is precisely what the law required.

The argument of appellants seems to be based upon inattention to the fact that the law requires that which the bill alleges the patentee did, viz.: "amended the *specification of claim* in accordance "with the decision of the said commissioner in the "premises."

The act of March 3d, 1837, section 8, contained the very words of the allegation, when it provided that "whenever a patent shall be returned for cor- "rection and re-issue the specification of claim an- "nexed to every such patent shall be subject to re- "vision and restriction in the same manner as are "original applications for patent; the commissioner "shall not * * * grant the re-issue * "* * until the applicant shall have entered a "disclaimer, or amended *his specification of claim in* "*accordance with the decision of the commissioner.*"

The act of 1870, section 53 (under which the present reissue was granted) was a re-enactment of section 8 of the act of 1837, though in less full language, and provided that in cases of application for reissues, "the specification and claim in every such "case shall be subject to revision and restriction in "the same manner as all original applications."

The phraseology of the bill is nothing more than a full and accurate statement that the patentee complied with the statute.

This Court has so often ruled that the validity of a reissue can not be attacked, on account of alleged variance from the original patent, unless the original patent be offered in evidence, that the subject needs no discussion here.

Seymour vs. *Osborne*, 11 Wallace, 516.

It appears by the petition of appeal (p. 79, f. 154) that the defendant applied to the Court below for leave to amend their answer and contest the validity of the reissue and for a re-hearing of the cause on that account, but that the motion was denied.

The papers on the motion are not in the record; no error is assigned for the Court's refusal to allow the amendment, and the reasons of the refusal are not made apparent.

It must be presumed that this was done for reasons entirely satisfactory to the trial Court, and as such proceedings are not brought here for review, and as, in any event, the grant or denial of such a motion is matter of discretion, there is nothing nowhere to be heard.

THIRD POINT. *The Master's report is correct, and the decree of the Court sustaining it is also correct.*

This involves a consideration of the third assignment of error.

The defendants by written stipulation admitted that they had "purchased and disposed of fifteen "thousand binders or improved folding guides *cov-* "*ered by the decree herein.* (p. 39, f. 74). This is of course an admission of infringement to that extent, and of the disposition of the guides within the term of the patent, for it is only such that were covered by the decree.

The complainant waived proof as to profits, and relying on the proof of damages, proved that he had an established license fee of ten cents for each folding guide purchased or disposed of, and that he had granted such licenses at that rate to "The Palmer "Manufacturing Co., Wilcox & Gibbs Sewing Ma- "chine Co., Grover & Baker Sewing Machine Co., "The Victor Sewing Machine Co., and The Domes- "tic Sewing Machine Co." (p. 40, q. 3 and 4).

He further proved that the binders or folding guides licensed under these licenses "were *precisely the exhibits*" of the defendant's guides. (p. 40, q. 5.)

All the originals of the licenses sworn to, which the complainant could find, were produced and offered in evidence. (p. 61, f. 114–115.) It was proved that the license fees, stipulated for in the licenses were paid by the licensed companies (p. 62, f. 116), and that the license rate had not been materially varied from, even in settlements for past infringements in other cases. (p. 50, f. 91.)

The complainant produced the sworn returns rendered by some of the licensed companies, from time to time, in accordance with which the payments were made. (p. 64, f. 121–122.)

A large portion of the binders paid for by these licensed companies, at the rate of ten cents each, appear to have been so-called "Keystone" or "Goodrich" binders (p. 73, 73, 74, and 75) and such also were the specific form of the infringing folding guides or binders sold by the defendants. (p. 13, x-Q 7, and p. 38, f. 69).

It appears, therefore, that a number of responsible companies took licenses, made returns and regularly paid license fees for precisely the same form of folding guides as those which the defendants disposed of in infringing the patent.

This is ample proof that the complainant had an "established" license fee which becomes a fair measure of his damages from the disposition by the defendants of precisely the same thing.

The Court will not be misled by the somewhat lengthy cross-examination of Mr. Wooster, which shows that he had granted licenses to *users* of folding guides *for manufacturing purposes* at a different and very much larger rate than ten cents for each folding guide.

The fact was, as already noted, that Mr. Wooster had two kinds of established rates. One kind, which was applicable to the business done by the defendants, which was that of *selling* or dealing in sewing machine attachments, principally for domestic purposes, and which rate was ten cents for each guide disposed of. The other was a rate applicable to manufacturers who *used* the guides for making up large quantities of goods for sale. The manufacturing *users* licenses were paid for on the basis of a large annual sum ($50) for each guide.

Mr. Wooster protected himself against the use for manufacturing purposes of those folding guides which were sold by his licensees on the payment of ten cents royalty by providing in the license that the guides should be stamped as "*licensed for family use only*," (p. 58, f. 104).

As the defendants are charged only with the *lowest* rate of license fee obtained under *any* circumstances, and that the rate paid by parties doing a like business to their own, they can not complain because Mr. Wooster exacted from persons doing a class of business different from their own a very much larger and different rate based on the extent and profit from the *use* of the guides.

The argument of the appellants seems to be directed solely against the sufficiency of the proof.

Although it is conceded that the complainant proved the granting of a number of licenses to responsible companies yet it is claimed that the proof of payment of the license fees therein reserved is insufficient.

We cannot concede that proof of actual payment is necessary. If the licenses were *bona fide* granted without collusion (and there is no suggestion of this kind to be found in the record or the brief), the mere fact that the licensees paid or did not pay the rates would seem to be immaterial. The licenses were evidence of value because they show what had been agreed to as a fair measure of value in the market between the patentee and those whose interest it was to obtain the license as cheaply as possible.

It cannot be held that failure to comply with the agreement, or the bankruptcy of the licensee should impair this species of evidence. But the evidence as to payment is quite conclusive. The question (p. 62, f. 116) commented upon (brief p. 43) which inquired whether the licensed companies *paid* was undoubtedly intended to include *all* the companies who accepted licenses.

But if, when critically examined, it be held to amount to proof of payment only by the two companies immediately previously mentioned, (The Palmer Manufacturing Company and the Grover and Baker Sewing Machine Company), yet *other* proof of payment by the others is quite conclusive.

The form of question (which is commented upon as "egregiously leading") was not objected to as such (probably because the facts were well known).

A point of form only would be addressed to the discretion of the Master, and would not be a subject for review.

The defendants counsel himself called for the production for the returns in writing, by the licensees, of the number of binders (p. 64, f. 120), and the affirmative answer of the complainant to the effect that such returns wererendered to him, carries with it the fair implication of payment; but if this were otherwise that point was specifically stated upon the re-direct examination (p. 65, f. 121-122) in which the complainant said, " other returns were made by said companies " covering *the whole period for which they were licensed*, " ten cents being paid for each folding guide *in every* " *instance.*"

The criticism (brief, p. 45) upon this answer, on the ground that it was irresponsive to the question, and should now be stricken out and not considered, is unfounded.

The answer of the witness was a fair and full answer to the spirit of the question and to the implication of doubt which had been contained in the inquiry, put to him on cross-examination, as to whether returns had been rendered to him by his licensees; nor do we know of any rule which enables an *opposing* counsel, who is *not* the questioner to object to an answer which is satisfactory to counsel who has put the question, as was the case here.

It is to be noted also that no motion was made before the Master to strike out the answer which is now said to be objectionable, nor was any exception filed to the Master's Report by reason of the fact that such answer was allowed to stand on his record.

Indeed it is doubtful whether exceptions will apply in any event to the admission or rejection of evidence by a Master. Exceptions are only address-

ed to the Master's finding. The remedy for alleged errors in accepting or rejecting evidence must be had by motion.

Tyler vs. *Simmons*, 6 Paige, 127.
Ward vs. *Jewett*, Walker's Chancery, p. 45.

FOURTH POINT.—*The decree should be affirmed with costs.*

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